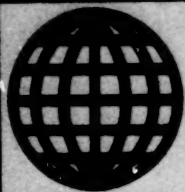


JPRS-EER-88-097
17 NOVEMBER 1988



FOREIGN
BROADCAST
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JPRS Report

East Europe

East Europe

JPRS-EER-88-097

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INTRABLOC

Austrian Policy on Refugees Discussed 29000003 Paris LE MONDE in French 27 Oct 88 p 4

[Article by Waltraud Baryli]

[Text] Vienna (by our correspondent)—“In a report issued on Tuesday, 25 October, the Austrian branch of Amnesty International criticized the Austrian government for not taking seriously the information according to which Polish and Hungarian refugees were allegedly victims of police brutality in the Traiskirchen camp. According to Wolfgang Aigner, one of the officers of the organization for the defense of human rights, “We know that there are a handful of young policemen in this camp who kick and punch refugees and who shower them with insults. Women and children have been dragged out of bed early in the morning at the sound of military marches and had only 5 minutes to leave the installation following the rejection of their request for asylum.” (Reuters)

An entire village transformed into an enormous camping ground filled with cars and trailers not to mention those people who sleep out in the open. This is the situation in Traiskirchen located some 20 kilometers south of Vienna. With a capacity of about 2,000 people the Traiskirchen refugee camp is more than filled up and the mass arrival of emigrants from the east has created an unbearable situation for the refugees and for the inhabitants of the village where grumbling is growing.

The elimination of visas between Austria and Poland and the opening of the Hungarian frontier with Austria at the beginning of this year has given rise to a growing flood of refugees. Until the end of August some 15,600 emigrants from East Europe—compared to some 11,000 for all of 1987—have been given shelter in camps and inns maintained by the Austrian state whose refugee assistance budget, that comes to 580 million schillings this year, has been exhausted. Only 2,000 of these refugees have been recognized as political refugees according to terms of the Geneva Convention.

In order to quickly distinguish between those requesting real asylum and “economic refugees” who for the most part want to emigrate elsewhere Austria has been implementing an “accelerated procedure” since last May. This procedure helps inform refugees in 3 days time of their real chances of obtaining political asylum or not. Some 92 percent of the asylum requests filed by Romanian refugees have been accepted compared to only 7 percent for the Polish refugees and 1.5 percent for the Hungarian refugees. In case of refusal the person asking for asylum can lodge an appeal while running the risk of being persecuted on his return to his country. The appeal process lasts an average of 2 years.

Minister of Interior Blecha has been severely criticized for having introduced this accelerated procedure. His political adversaries criticize him for having too much confidence in the assurances given by Polish and Hungarian authorities according to whom the people who return—even after an illegally prolonged stay abroad—have nothing to fear. Others criticize him for having given in to warnings by European countries that enforce to a large extent a more restrictive immigration policy.

Not a ‘Waiting Room’

While criticism is frequent the solutions proposed are, it is true, rare even nonexistent. Mr Blecha stresses in particular that Austria cannot be a “waiting room” for emigration candidates. As soon as they arrive, 96 percent of the Poles and Hungarians state that they want to emigrate mainly to the United States, Canada and Australia, countries that do not maintain immigration offices in their embassies in East Europe and that are accepting less and less emigrants from the east. In 1988, 2,406 emigrants left Austria compared to 2,909 in the same period of 1987. Over the past several years some 20,000 refugees have been recognized as refugees according to the terms of the Geneva Convention.

Added to the problems posed by East European refugees are those raised by immigrants from southeast Europe—primarily Turks—and from the Third World. Some 250 arrive illegally in Austria per month with the help of specialized organizations. They then try to clandestinely cross the frontier toward Germany and Switzerland. Some 2,000 are held up in Austria annually and it is Austria that has to repatriate them at its own expense.

5671

CZECHOSLOVAKIA

State of Contemporary Czech Culture Surveyed 28000022 Zagreb VJESNIK (PANORAMA SUBOTOM Supplement) in Serbo-Croatian 15 Oct 88 p 15

[Article by Branka Somen: “Mastering Courage Anew”]

[Text] Reflecting on and speaking or writing about Czechoslovak culture at the present moment, and at the same time analyzing what has happened with Czech and Slovak literature and film over the last 20 years, brings us to the observation that political life, and that means public life as well, has been marked by three dates which signify historical turning points in the behavior of the Czechoslovak people. Those were the “years of the locust”: 1938, 1948, and 1968.... And right at the outset of the sixties, under Novotny and in spite of his people and the censorship, fundamental films appeared which were not politically motivated, although they later took on a political connotation. Books were also published which were written by 40-year-olds who used them to wage cultural warfare against the outdated dogmatism.

Thus, Bohumil Hrabal's book "The Pearls at the Bottom" appeared in 1963; and distinguished film directors from Ivan Passer and Evald Schorm to Jiri Menzel made their debut with those short stories. Published that same year were "Comic Loves" of Milan Kundera, and "The Legend of Emok" and "The Cowards" (in the second uncensored version) by Josef Skvorecky, and then "Mister Theodor Mundstock" by Ladislav Fuks. The year 1964 saw Arnost Lustig's book "Prayer for Katarina Horovitz" and the short stories "Lovers for a Night" by Ivan Klima. In 1965 came "Closely Watched Trains" by Bohumil Hrabal, the novel "Satisfaction Square" by Vladimir Paral, and in 1966 "Axe" by Ludvik Vaculik. The year 1967 saw publication of Milan Kundera's novel "The Joke" and "Little Games" by Ivan Vyskocil, and in 1968 there was the novel "Riding in Style" by Zdena Salivanova (who later became the wife of Josef Skvorecky) and "Dream of My Father" by Karl Sidon.... Then the dream suddenly turned into a hope, and the hope to disappointment. Everyone—the university students, the intellectuals, the workers—all found themselves on 21 August 1968 facing the tanks of the Warsaw Pact which had occupied Czechoslovakia. There was a replacement of the first team of the most able politicians, journalists, writers, specialists, and workers. Many left for Austria and West Germany, and those who happened to be abroad mostly did not return.

The refugees included 200 or perhaps even more writers, film directors, and film workers, economists, political scientists, and journalists.... Czech film has not recovered even today. For example, Evald Schorm, who wrote the script for "Everyday Courage" (1964), waited 20 years before the intervention of his friend Elem Klimov gave him an opportunity to direct a film. After "We Are Eating the Fruit of the Paradise Tree" (1970), Vera Chytilova waited all of 7 years for his next film. Jiri Menzel, who won an Oscar in 1967 for his "Closely Watched Trains," had a pause, not of his own doing, all the way until 1975 following the film "The Crime in the Nightclub" (1969). The well-known Slovak director Juraj Jakubisko stood behind the camera once again only in 1980 after three films full of suggestive surrealism and Slovak folklore.... But in New York, Los Angeles, San Francisco, and Munich...were Milos Forman, Vojtech Jasny, Ivan Passer, Jan Nemec...enjoying varying success. Forman won Oscars for two films: "One Flew Over the Cuckoo's Nest" (1974) and "Amadeus" (1984); Passer made seven films for Hollywood producers; and the Czech authors Jaroslav Vejvoda (writer and screenwriter) and Bernard Safarik (director) made a film, "Dog Shows," in 1983 about a Czech refugee. One of the actors in it was the Czech emigre Pavel Landovsky, whom we recently saw in Philip Kaufman's film "The Unbearable Lightness of Being," from the Kundera novel by the same name.

Jaroslav Papousek, the third man in the experienced creative trio of Passer-Forman-Papousek, after his successful debut with the film "The Best of Times" (1968) began to do worthless comedies about the Homolkas, a

typical Czech family. But this was the "sad laughter" of a man without inspiration and the creative suggestions of his absent friends. Nor did the critics at home accept his comedy, "Wife to Three Husbands." Vera Chytilova attended this year's World Festival in Montreal with her most recent film "The Mad Woman and the Queen," but the star, Boleslav Polivka (who also wrote the script), went back home without the prize, which was taken by the Yugoslav Davor Janjic. The 46-year-old Vit Olmer, once a film actor, began after 1968 to direct films and so far has eight titles to his credit. He enjoyed his first commercial success with the comedy "Like Poison" (1985), and at this year's Berlin Festival his film "Bony i klid" was shown apart from the competition; it sounds like Bonnie and Clyde, but it means ration coupons and peace. It is a film about love, but it also reveals to us the other side of Prague's sunny streets; young men smuggling foreign currencies, getting rich, and living the easy life, corrupting everyone around them, from the police to merchants and hotel managers.

This year, when journalists from PROFIL in Vienna asked Vaclav Havel (52) whether the shooting and showing of "Ration Coupons and Peace" was a consequence of new winds from Moscow, the Czech playwright and essayist answered: "The situation is truly better than it was a few years ago, but that still does not mean that the official cultural policy is changing its positions. The cultural potential and pressure from below have captured more space and have thus taken advantage of the situation. Perhaps those making the bureaucratic decisions up above truly have given more freedom, but not so much as to surprise those who were banned after 1968 or who became politically involved in any way at all, for example, the signers of the charter (the Charter of the Seventy-Seven)." And, as a matter of fact, since those dark days of full pressure and the loss of creative freedom, the situation has changed in many respects—for the worse! The political pressure on all those who have continued to write has separated writers into either apologists of the current political course and those who have ceased to publish in official magazines and media. Literature has been divided into the official literature, which officially and with permits publishes books; the samizdat literature, which publishes underground the works of the writers living in Czechoslovakia, but who do not have the right nor the opportunity to publish; and finally, the dissident literature, made up of the works of those writers who publish and live outside Czechoslovakia, but are still writing in their native language.

Since 1968 excellent literary journals and reviews have ceased to be published, and new ones (LITERARY MONTHLY and CREATION) have been unable to get back the splendor and value of the periodicals that once existed.... The first copies of "samizdat" appeared as early as 1970. The novel "Experimental Rabbits" by Ludvik Veculik was the first to appear in such an edition, which is called "Edice Pelice" (the "Trap" series), and so far 267 titles have been published! One can encounter in these publications the names of Pavel Kohout, Ivan

Klima, Karel Sidom, Jaroslav Seifert (who won the Nobel Prize in 1984), Oldrich Mikulasko, Jiri Sotola, Jan Trefulka, Bohumil Hrabal, Ivan Binar, Ivan Kadlecik, Oto Filip, Jiri Kolar, and many others. Aside from "Trap" books in Czechoslovakia there are also other underground publications: "Neighborhood," "People's Paper," and so on. Bohumil Hrabal began to publish his books in official publishing houses only in 1976, but he was accepted as a member of the Writers Union only last year (he first had to publish a public "self-criticism," something also done by Jiri Sotola, Miroslav Holub, and Karel Ptacnik...).

Since unsuccessful and untalented authors began to publish, and successful, but reluctant ones withdrew underground or went abroad, open space was left for the emergence of new names. And when in 1982 the party weekly CREATION began to publish its literary supplement HMEN (harvest, tree trunk), 40-year-olds gathered around it: the authors Jaroslav Cejka (45), Michal Cernik (45), Vaclav Dusek (44), Jaroslav Holoubek (42), Petr Skarlant (49), Karel Sys (42), Josef Simon (40), Jiri Zacek (43), as well as the prose writers Irena Charvatova (46), Petr Novotny (41), Petr Prouza (44), Roman Raz (53), Alena Vostra (50), Zdenek Voly (42), and others. HMEN first came out on 1 January of this year as a literary weekly edited by the poet Karel Sys. Jaroslav Cejka (he was in Vilenica this year) is the author of the novel "The People Behind the Scenes" (1985) in which he analyzes the intellectual development of his young hero. His picture of reality is full of humor, but his view of that reality is still clouded by "loving devotion" to the mistakes of society. Vaclav Dusek is harsher in the novels "Tramps" (1978), "Cat Days" (1979), and "The Happiness Hunter" (1980), writing about his young heroes: misfits who have run away from home or have come from prison. A few months ago Dusek criticized caution as a widespread social phenomenon in RUDE PRAVO: "It is out of caution that we have gotten where we are. Excessive caution has not only seized upon literature, but much worse, it has seized upon life and the way of thinking." In conclusion, Vaclav Dusek calls upon his colleagues to take the lead from the courage of the Soviet writers.

Michal Cernik, who has been honored as a distinguished artist and is this year the president of the Czech Writers Union, introduced himself with a very good collection of poetry ("A Well-Read Life," 1987). In his eighth collection of poems he wrote several poems which seem as if written by a Czech dissident in exile, rather than an author at home. He says among other things: Do not ask me, (why I write). That is the same, if I did (answer it), as why I live.... In the poem "Poante," Cernik says: I arrive at work and ask, what is new (but nothing is new, only current problems). I arrive back home and ask, what is new (and nothing is new, only everyday worries). The same poem ends with the verses: In the pluralism of life (the life of each of us is unacceptable) is that why the work of all of us is noticeable.

...It is those everyday facts of the poet's life that bring us back to Evald Schorm and his film "Everyday Courage."

since it is the writers, the 40-year-olds, who again have that courage. Literature, as in the example of Hrabal, has always been a source from which to drink, above all for writers of films, and with the Czechs and Slovaks the film has always been a dangerous weapon in the hands of true artists. It is obvious that the climate in Czechoslovak culture is different than it was a few years ago, but there is a great question over whether it will ever begin again (or resume) from where it was so roughly and senselessly interrupted: Vaclav Havel thinks that this will happen, but not in his lifetime!

07045

GERMAN DEMOCRATIC REPUBLIC

Consular Agreement With Sudan Concluded

AU1411094788 East Berlin NEUES DEUTSCHLAND
in German 10 Nov 88 p 2

[Text] Berlin (ADN)—A consular agreement between the Governments of the GDR and the Republic of the Sudan was concluded in Berlin on Wednesday [9 November]. It regulates the consular relations between the two countries and thus also contributes to the development of cooperation.

Also on Wednesday, a working plan on cultural and scientific cooperation between both countries' governments for 1989-90 was agreed upon. The measures laid down serve the further expansion of relations in the fields of university matters, public education, and culture.

The documents were signed by Dr Heinz-Dieter Winter, GDR deputy foreign minister, and 'Ali Ahmad Sahlul [name as published], assistant state secretary in the Foreign Ministry of the Republic of the Sudan.

POLAND

POLITYKA Weekly News Roundup

26000054B Warsaw POLITYKA in Polish
No 39, 24 Sep 88 p 2

[Excerpts]

National News

The government has submitted its resignation, and the Sejm has accepted the resignation and resolved that until the new cabinet is named the current one is to perform its duties.

A joint meeting of the leadership of the OPZZ and the National Association of Farmers' Circles and Agricultural Organizations took a critical position toward the government, emphasizing that contacts by its units with the unions were characterized by a "bureaucratic

approach." Both organizations proposed "far-reaching restructuring of the economy." The program to consolidate the national economy should favor agriculture and the food industry, housing construction, and environmental protection and working conditions.

The lowest retirement benefit will increase to 15,500 zloty from 10,300 beginning 1 September, and a pension for an invalid of the third class will increase to 12,800 zloty from 8,500 zloty. Benefits at these levels are paid to very few people, but they are significant for calculating derivative benefits, for example, about 1 million agricultural retirements. The earnings barrier for suspension of the right to a retirement was raised from 360,000 to 480,000 zloty annually.

A report from the Central Office of Statistics on the performance of the economy in August has been published. Production sold by socialized industry in constant prices was 9.9 percent higher in August 1988 than in August 1987 (which was shorter by two working days). In the mining industry, it declined by 2.4 percent (losses due to strikes are estimated at about 790,000 tons of coal), and in the processing ones, it rose by 10.9 percent. In sea ports, 18.4 percent less cargo was moved in August 1988 than in August 1987. Exports were 15.7 percent higher, and imports, 6.9 percent higher. In trade with the second payments area, exports were 15.4 percent higher, and imports, 18.2 percent higher. The average monthly wage in the five basic sectors of the economy was 80.8 percent higher in August 1988 than a year ago and 6.1 percent higher than in July 1988.

After a break of several years, the Polish PEN Club has renewed its activities. The newly elected board is as follows: president, Juliusz Zulawski; vice presidents, Artur Miedzyrzecki and Egon Naganowski; secretary, Anna Trzeciakowska; treasurer, Andrzej Szczypiorski; members of the board: Wladyslaw Bartoszewski, Marian Bizan, Marian Brandys, Andrzej Braun, Jerzy Ficowski, Pawel Hertz, Urszula Koziol, Marcin Krol, Zygmunt Kubiak, Stefan Kisielewski, Jerzy Turowicz, Wiktor Woroszyński, and Jan Jozef Szczepanski. The chairman of the credentials commission is Jacek Bochenski.

The Warsaw Automobile Factory has selected a license from Fiat. As PAP reports, it is to be a 5-person car, somewhat shorter, narrower, and lower than the FSO-1500 and more than 200 kg lighter with one of four engines (two gasoline, 1,400 and 1,600 cm³, and two diesel 1,700 and 1,900 cm³), which consume 5 to 6 liters of fuel per 100 km on the average.

Personnel. The new president of the Association of Polish Musical Artists, chosen during its general meeting, is Tadeusz Strugala (age 53), conductor and deputy artistic director of the National Philharmonic. The new Gorzow Voivod is Krzysztof Zareba (age 49), SD activist, former undersecretary of state in the Ministry for Environmental Protection and Natural Resources, and recently advisor to the minister. Włodzimierz

Mokrzyszczak (age 50), chairman of the PZPR Central Control and Review Commission and until June 1988 a member of the Politburo of the PZPR Central Committee, is now Polish Ambassador to Czechoslovakia.

AMERYKA, the once popular monthly, later suspended, has again appeared as a quarterly. The publisher is the embassy of the United States in Poland. The price 100 zloty is unbelievably low in relation to the form and content of the magazine.

On the Left

Referring to a worker's letter to M. Gorbachev to "direct fire at the staff," the Soviet leader, during a visit to Noryisk, said: "We are continuing perestroika but we are not for dividing the country into camps and pitting people against one another. We all know about the experience with 'fire directed at the staff' in China. Then for 15 years no one could deal with what had happened. Let us not follow this path: let us not destroy our home and not destroy everything in it which is good in order to ask ourselves later, what happened?"

Mikhail Gorbachev has announced seven new proposals on security and detente in Asia. Among other things, to freeze and reduce the naval and air forces and to liquidate the bases in the Philippines and Vietnam.

"We do not think that Hungary and South Korea have established diplomatic relations. We must wait. If, however, they do establish diplomatic relations, that will be a scandalous act that does violence to relations between Hungary and the DPRK," Kang Sok Dzu, DPRK deputy minister for foreign affairs, announced at a press conference in Pyongyang. Hungarian sources emphasize that the DPRK has been officially informed by the Hungarian government of its intent to open a trade office in Seoul and subsequently to develop diplomatic relations in both capitals.

A new, regular column has appeared in the Soviet weekly ARGUMENTY I FAKTY: "The USSR KGB reports and comments" in which the activities of the state security organs is presented. "Obviously, we cannot talk about everything and we cannot publish all documents."

V. Chebrikov, chairman of the KGB: "We have reliable data that foreign intelligence agencies are making attempts to penetrate the Ministry of Defense, the Committee for State Security, the Ministry of Foreign Affairs, and many other institutions. During the last two years, organs of the KGB have uncovered and brought to criminal justice more than 20 dangerous agents of the intelligence services of the capitalist countries, who were spying. Unfortunately, among them were employees of the KGB. . . . At the bottom of the Sea of Okhotsk, 60 kilometers from the Soviet coast, we uncovered and confiscated two large deep-sea containers each of which weighed 6 tons with American intelligence equipment designed to intercept information from underwater

cables of the USSR Ministry of Communications. The complicated intelligence equipment consisted of special equipment for intercepting radiation from the cable, with an electronic programming system for recording the intercepted information with approximately 100 blocks of multichannel magnetic records and a nuclear power source, plutonium 238. . . ."

This year, the average harvest in the CSSR reached 47 quintals per hectare: this is the second highest level in the history of Czechoslovak agriculture.

13021

**Press, Personnel Changes, Media Developments
June 1988**

26000074a Warsaw PRASA POLSKA in Polish
No 8, Aug 88 pp 53-61

[Unattributed report: "Chronicle"]

[Excerpts]

1 June

- Adam Kowalski has been named deputy editor in chief of KONFRONTACJE.
- Edward Piekarski has been named deputy editor in chief of the National Publishing Agency.
- Tadeusz Rojek's book, "The Thirteen Secrets of History" (Nasza Księgarnia [publishing house]) has been honored with the Scouting Literary Award for 1988.

8 June

- At the Warsaw Journalists' House, the Politico-Social Journalists' Club of the Association of Journalists of the Polish People's Republic organized a discussion entitled "What Does Poland Expect from the New People's Councils?"

Anna Pawlowska, deputy president of the club wrote about the meeting in TRYBUNA LUDU (No 133, 1988):

"The journalists' guest spoke in his opening remarks about the councils' and local self-governments' expanding role in the model of the state, about their significance for actual civic participation in the exercise of authority, about the proposed, needed system of interdependence and mutual control among the deliberative and executive authorities. 'In my opinion,' said K. Barcikowski, among other things, 'we are approaching a natural situation too slowly in which civic matters are as a rule resolved where they arise. Some think that decentralization and democratization weaken the state and do not notice that the reverse is the case.'

"The numerous questions and lively discussion touched on various aspects of the changes prepared. For example: who will prevail in the case of a conflict about the voivod? The government or the voivodship council, inasmuch as both sides are to have equal rights. Or: can all councils, especially at the basic level, actually achieve financial independence? Or: what economic and social effects can the activation of local interest groups within the councils which have greater financial independence and more definite decisionmaking power produce?"

"Problems with the establishment of municipal property provoked particular interest. Limiting the number of candidates to three per position was questioned, and the correctness of creating single-member districts was considered. Journalists shared their observations from civic meetings and work in the election commissions. The proper relations between the council members and the party or parties of which they are members was raised.

"Other topics of discussion were associated with professional questions: how to present the election principles, the authority of the councils, and the candidates' personalities in the mass media. In general, how should the activities of the councils, their weaknesses, and their achievements be presented? This was a genuinely free exchange of thoughts and doubts, which ended with a joint statement that everyone—the authorities and the journalists—will be wiser after 19 June. And this date closes nothing. On the contrary, it opens a new chapter in building the model of Polish democracy."

21 June

- At the offices of the Association of Polish Lawyers in Warsaw, the Sociolegal Journalists' Club of the Association of Journalists of the Polish People's Republic in conjunction with the editors of PANSTWO I PRAWO and three journalists' clubs organized the first in a series of meetings devoted to changes in the constitution of the PRL and to political and constitutional problems. The guests of the club were Prof Dr Sylwester Zawadzki, member of the Council of State, Prof Wojciech Sokolewicz, deputy editor in chief of PANSTWO I PRAWO, and the members of the Constitutional Law Commission of the Association of Polish Lawyers.

- In Warsaw, the Environmental Protection Club of the Association of Journalists of the Polish People's Republic together with the Ministry for Environmental Protection and Natural Resources organized a seminar on social movements supporting environmental protection.

22 June

- The Warsaw Group of Senior Journalists organized a meeting with Prof Dr Henryk Zimny, the president of the Executive Board of the National Defense League, who evaluated the state of the environment in Poland.

The participants devoted considerable attention to emergency measures to prevent further worsening of the condition of the natural environment in Poland.

During the organizational portion of the meeting Włodzimierz Goszczynski, the chairman of the Warsaw Group of Senior Journalists, touched on the most important current issues associated with the continued activities of the group. Some additions to the membership of the board of the group were made in association with some individuals' resignations from their positions.

—In Warsaw, the prizes of the president of the "Prasa-Książka-Ruch" Worker's Cooperative Publishing House were handed out. The awards were given to journalists, editorial groups, and employees in distribution and press technology, who have distinguished themselves through their inventive, unconventional ideas that match the changes taking place in Poland.

23 June

—In Warsaw at the Journalists' House, the Economics Journalists' Club of the Association of Journalists of the Polish People's Republic organized a discussion on the proposed corrections to the National Socioeconomic Plan for investments prepared by the Planning Commission. The guests of the club were representatives of the leadership of the Planning Commission of the Council of Ministers.

—In Warsaw at the Journalists' House, the "Friendship" Journalists' Club of the Association of Journalists of the Polish People's Republic organized a meeting devoted to the new phase of the Hungarian reforms and personnel changes in the party leadership. The guests of the Club were Istvan Degen of the Propaganda Section of the MSZMP Central Committee and Gyorgy Biczó, Hungarian Ambassador to Poland.

During the meeting, the annual club prizes for journalism for 1987 were handed out. Tadeusz Krasko (Polish Television) received first prize; Adam Horoszczak (EKRA), second prize; Andrzej Skrzypczak (GŁOS WIELKOPOLSKI), third prize.

The special prize of the Executive Board of the Society for Polish-Soviet Friendship was given to Romuald Broniarek (PRZYJAZN).

24-26 June

—In Warsaw, during its 40th year, the editors of TRYBUNA LUDU organized the traditional festival of the newspaper at the Mariensztat Square, along the Podzamcze, in the Kazimierzowski Park, and in Otwock.

At the editorial offices of TRYBUNA LUDU, the annual meeting of the winners of the prizes of TRYBUNA LUDU with Wojciech Jaruzelski was held on 25 June. Among the prize winners is journalist Waldemar Rudnik

of Polish Television, who received a prize for his series of programs on the important problems of contemporary Poland, for journalistic sharpness and the controversy surrounding the topics discussed.

28 June

—The plenum of the board of the Warsaw Press Section of the Association of Journalists of the Polish People's Republic made a change in the membership of the officers of the section in conjunction with the death of Marian Butrym, its chairman.

In a secret ballot, it unanimously selected Janusz Borkowski (ZOLNIERZ WOLNOSCI), who until now has been vice president, president of the board of the Warsaw Press Section of the Association of Journalists of the Polish People's Republic.

In the same manner, Marianna Jakubowska (NASZA GAZETA) was elected to the presidium of the board and the position of vice president of the board of the Warsaw Press Section of the Association.

—At the Warsaw Journalists' House, the Agricultural Journalists' Club of the Association of Journalists of the Polish People's Republic organized a meeting with Minister Stanisław Zieba devoted to agriculture and especially to the effects of the draught and efforts to counteract it. They also discussed the announced purchase price increases for agricultural products and the supplies of fertilizers and machinery for agriculture.

—In Warsaw at the Journalists' House, the Trade Union and Workers' Self-Management Journalists' Club of the Association of Journalists of the Polish People's Republic organized a meeting with representatives of the leadership of the OPZZ on the trade unions in view of the current national problems—conflict or compromise?—and on their position in the world in light of the last session of the ILO.

29 June

—In Krakow, the anniversary of the appearance of the first issue of MERKURYUSZ POLSKI, the oldest journal in the Polish language, the Krakow section of the Association of Journalists of the Polish People's Republic, for the first time, awarded its journalism prize, the Golden Pear. The winner is Leszek Konarski of PRZEGLĄD TYGODNIOWY, for his outstanding achievement in journalism, his inventiveness and freshness, his uncompromising examination of current political, social, and economic problems, and his nonconformist illumination of the phenomena, events, and processes presented.

—In Warsaw at the Journalists' House, the Politico-Social Club of the Association of Journalists of the Polish People's Republic organized a meeting with

Prof Dr Jarema Maciszewski who reported on the current efforts of the Polish-Soviet mixed commission working on the so-called blank spots in relations between the two countries.

30 June

—Krzysztof Pierzchlewski has been removed from the position of editor in chief of STRAZAK.

—In Warsaw at the Journalists' House, two association clubs, the agriculture and economic journalists' clubs, organized a panel titled "Green Exports." The journalists' guests were representatives of the ministries of foreign economic cooperation, and of agriculture, forestry and the food industry, and of the appropriate central foreign trade agencies.

—In Warsaw at the Journalists' House, the Construction Problems Club of the Association of Journalists of the Polish People's Republic organized a meeting on the implementation of proposals by PRON on housing construction in which members of the presidium of the PRON working group on construction and housing policy participated.

—In Warsaw the Education and Instruction Journalists' Club of the Association of Journalists of the Polish People's Republic organized a meeting with Maria Berzyska, the deputy minister of national education and chairman of the Committee for Cooperation with the Family and the Child Raising Environment. They discussed, among other things, efforts by the ministry undertaken to continue socializing education, problems of cooperation between the parents and school, and modifications of the regulations on the operation of parent committees.

13021

Authorities Urged to Responsibility, Not Anonymity

26000047 Warsaw LAD in Polish No 32, 7 Aug 88 p 16

[Article by Jacek Maziarski: "Round and Round It Goes: It Is People Who Put Up the Roadblocks"]

[Text] I remember that 10 years back the issue was childishly simple: After he had finished his morning coffee, a Central Committee secretary called the director of state censorship into his office or simply grabbed the telephone, and depending on his personal whims, determined what subjects would be blacklisted today. One day it might be hard, aged cheese, and another, the name Stefan Kisielewski. On Wednesday, a prohibition against work-related accidents would be introduced, and on Friday, all criticism of television would be banned. A characteristic feature of this system was the surprising ease with which the arbitrary fantasies of party officials became a universally binding state law, one which also pertained to publications which had nothing to do with

the PZPR. Censorship prohibitions, after all, applied to both POLITYKA and TYGODNIK POWSZECHNY [the Catholic publication from Krakow]. It might be worthwhile to add that doubtful texts from the Catholic press wound up on the desk of a Central Committee secretary, who had the final say.

I have the silent hope that this system has now been relegated to history and that no Central Committee secretary is going to involve himself in what I write in LAD. Nonetheless, the matter is important enough at the present time for me to want indeed to take up a statement made by a Central Committee secretary who is after all responsible for press and propaganda, Mieczyslaw F. Rakowski. I will not hide my decidedly critical attitude towards this statement, but is there some law making high-ranking party officials immune from criticism? Somehow I cannot imagine that such would be the case, and I would not expect Rakowski to censor a text referring to himself personally. So, we are into a debate. My opponent has sometimes called for dialogue. Well, I accept the challenge....

The subject of the dispute, however, is the response Mr Rakowski gave to PANORAMA reporters (No 27, 1988), in which he asked people who had attended the Seventh Plenum of the PZPR Central Committee: "Who and/or what is blocking the reform?" Mr Rakowski stated his opinion on the subject this way: "...The main thing standing in the way of the reform is people....Why? Mainly because in the past decades people have built up a specific, concrete model of the economic and social system, in which they had experiences that were good and bad, mostly somewhere in between." Now it is those very people, Mr Rakowski explains in PANORAMA, who at present are showing that they are afraid of change, and their "attachment to running the economy has turned out to surpass their readiness to agree to take full responsibility for production, upon which all the rest depends." Mr Rakowski probably did not expect this response to satisfy readers. He himself could foresee the question that would be on our lips: "If you are asking: 'Who is standing in the way,' don't expect me to name names. The roadblocks are to be found among us. Sometimes they run very deep and are to be found rooted in our consciousness."

I think that my summary was faithful to the basic sense of the statement, which ran far longer, but one way or the other I certainly did not distort Mr Rakowski's basic hypothesis: it is human beings who have led us up to what is going on in our country, and, well, people are responsible for our poverty, recession, errors, and failures.

The response is basically correct, because ultimately we are not going to blame the weather or the cows who refuse to produce milk or the gremlins or even extremely bad luck. It is of course human beings. But which ones? Is it really Everyman, that is, all of us? And is it really the people who built a given model and held fast to running

the economy who are today standing in the lines complaining, cursing out loud on the bus, and even striking over not being able to make it to the first day of the month?

Gorki wrote that the word "Man" sounds proud on the lips, but he forgot to add the fact that it is also a very general term. When the question of responsibility comes up on the agenda—and after all this is what the PANORAMA issue is all about—there is no way to get around the issue with generalities saying "it was us ourselves, the roadblocks lie in us." Responsibility is always differentiated. The responsibility of a person carting a load in a wheelbarrow is different from that of a person carrying a briefcase. Mr Kowalski who is in charge of a car interferes with the reform in a way that is different from the way that Mr Kozlowski, who is in charge of a department, does. If we blur this difference, then we will never determine just who has been and is still blocking the reform. It is hard to believe the statements. Everyone is for the reform, but the ones screaming the loudest are those who nearly had it buried.

Mr Rakowski is a politician, and I can certainly understand the reasons for his inclination to refuse to respond to the question of who is to blame. When he replies: "Don't expect me to name names," he has simply steered clear of an unavoidable attack on all the people ganged up against the reform. So I would not have any further questions nor anything to complain about if the Central Committee secretary simply said: "There are those who are blocking the way, but I cannot give out their names, because from now on I would have to do battle with a whole lobby of brake-appliers [people against the reform], and therefore I would not have time to do my job."

Nonetheless, the thing is that what Mr Rakowski said was something quite different. To wit, he dismissed PANORAMA readers with the completely mystical notion about indefinite responsibility that included everyone. The main problem is the individual person, the drop in the bucket. We are all sinners, according to him, beating his own breast, too. After all, that is his affair, but why drag the rest into it? Whom does he have in mind here? Kowalski the retiree, Nowak the locksmith, and the sexton from Milanówek?

I am very sorry, but here I have to ask to be taken seriously. You can talk that way to preschoolers, but not to adults, because adults cannot be kept from asking the next question: What people, which ones? Responsibility is always concrete—or else it doesn't exist at all. And if we are thinking seriously about the reform, then you have to start with concrete answers to the questions—answers which I have not been hearing yet (we say answers, because the questions are much too loud!). So who turned off the green light for private initiative that was lit several years ago? Whom do we have to thank for such an early death for the agency [franchise] sector, which had not been doing so badly? Who undermined

rural small manufacturing, the promising brickmakers, grain mills, and dairymen? Who blocked the transitions in the cooperative movement, which still seems more like the state sector than what it should really be? Who denied the rural areas, for which the issue of coal is such an eloquent symbol? But it is not the only one. You could publish a whole issue of LAD on the subject. Who efficiently and permanently forced those investments which strengthened the ailing structure of our economy, thereby pumping up inflation? Who, despite the nearly unanimous thinking of the economists, kept offering us successively higher prices ultimately leading to a brutal wage-price race?

The answer "people did" sounds like a dodge (because it actually is a dodge), but that is still not the worst of it. Mr Rakowski is a government figure, and there is the fear that this more or less private answer to PANORAMA's questions will be treated as an official opinion in discussions concerning the forces responsible for the recession and crisis. For many thousands of people, this is an answer that has been simply dreamed up. Let us forget here what happened. Let us calmly continue the reform. No accounting or dragging of people into the courts or before the audit commissions. Let us love one another!

I don't want to be a Cassandra, but somehow it seems to me that this reluctance to face the issue of responsibility like an adult is going to cost us a great deal. We have cause to suppose that Mr Rakowski already knows the price one pays for working with refurbished brake-appliers. Doesn't it seem strange to him that the dogmatists and "people who put out the holy fire," as Gen Jaruzelski puts it, have disappeared somewhere in our country without a trace? Isn't he surprised by the metamorphosis of all those RZECZYWISTOSCs and KULTURAs [Polish weeklies known for relatively hard-line position], to stay within the backyard of the press? Isn't he interested in the question, by what miracle can the reform work if it is made up of those very same people who were skilled in pulling it apart?

It turns out that in the previous issue of PANORAMA (No 26, 1988), there was an interview with Valentin Falin, the head of the Soviet Press Agency, Novosti, in which the very same subject was discussed—responsibility and the need somehow to get rid of the people responsible for bad policies. I cannot help but say that Falin understands the ground rules far better when he talks about people who consciously mislead themselves and others who pretend to be advocates of renewal with a view to their own material benefit. Falin says: "In this situation, the use of power is called for. Encouragement is not effective for everyone, and it is not always possible to give encouragement." Elsewhere he says: "We must put a lot of dots over the 'i's in assessing the legacy which we inherited and the responsibility of the specific people to whom we owe this legacy."

Somebody will say that these are mere words, words which will need to be verified later. That is true, but promises of this sort already provide the foundation for

reliability, dialogue, and perhaps cooperation. I do not think that this foundation can be made up of generalizations about human frailties and conservatism. I myself prefer to wait. I am sure that the issues of responsibility and accountability for concrete decisions which are resulting in increasingly serious consequences can ultimately be put on the agenda. They must be!

10790

Internal Political, Social Factors More Hindrance to Reform Than External

26000039 Warsaw ZYCIE PARTII in Polish
No 17, 24 Aug 88 pp 6-7

[Article by Prof Dr Michal Dobroczynski, director, Chair of World Economy and International Economic Relations, Department of Economic Studies, University of Warsaw]

[Text] If it is not possible to draw far reaching conclusions from what the Western scientific and technological revolution and the Soviet ideological and political revolution are bringing, Polish reforms will continue to be fragmentary, irresolute reforms that do not bode well for either a more radical solution to the dilemmas rankling the public or an improvement in Poland's position on a European and worldwide scale.

The mechanisms, goals and results of reform must correspond to realities, both national and international.

The national realities are a national economy marked by enormous disproportions, a strong increase in public consumption aspirations, a high degree of deterioration of the work ethic, a lack of clear faith in rapid success and a growing negative opinion of the entire political and socioeconomic model thus far. But among internal realities one must also count a broader than ever range—in a quantitative sense—of professional and general preparation of working personnel, a major break from the dogmatism of Stalinist origin that hinders development, more and more decisive favoring of radical changes, unprecedentedly open and bold discussion of crucial national problems, a critical attitude toward the bureaucracy and monopolization of public life.

The international realities are the decisively low position of the Polish economy in Europe, the weakness of technological and economic ties between Poland and the countries that are paving the way for worldwide material progress, the increasing influx of information, under conditions of glasnost, about living standards and the scale of sociopolitical freedoms in countries with individual systems. Other important external conditions of the Polish future are related to the force and effectiveness of the Gorbachev revolution, the rate of decrease or increase in the economic and technological distance between East and West (socialist countries account for only 9 percent of international trade, yet in Poland's foreign economic contacts, "planned economy" markets

constitute a majority), the political climate in US-Soviet relations (under circumstances of authentic detente it is incomparably easier to individualize the politics of smaller socialist states) and the West's attitude toward Polish reality.

Internal elements that stimulate or hinder the processes of reform are discussed much more frequently and precisely than external factors. This results from the state of our sociopolitical culture, which is much more involved in analyzing provincial and national, rather than European or global, phenomena and trends. At the threshold of the year 2000 this approach, although perhaps understandable sociologically—cannot be accepted as adequately justified. Fundamental changes in Poland's situation for the past 200 years have been related to a great extent to international and interstate relations. There is much to indicate that this situation will be maintained for the foreseeable future. So it is under this light that Polish realities should be examined. Because an insufficiently rapid adaptation of our national cultural legacy to the requirements of European and world civilization is bound to produce growing dangers.

One cannot imagine that Polish society would consciously want to accept a lifestyle that, while offering more freedom in the area of behavior, especially professional behavior (work without effort), would still be clearly lower than the standard of consumption seen in Western countries.

In order to give something up, one first has to have it or at least be able to have it. So there is not much sense, for the not so distant future, to proposals for set priorities that deprecate the effects of international material manifestations. In any case, the pursuit of Western models is not just Poland's lot, although it is formulated differently in different countries, i.e., in the Soviet Union and China it is limited by national (e.g., world power) accountability for the course of events on an international scale. In Poland's case, it has been impossible up to now to make up for gaps in consumption. Neither the Soviet sense of power, nor East German successes in sports, nor French convictions about intellectual and artistic uniqueness can be carried over today to the soil of Polish consciousness.

So the main purpose of our reforms must now be a strong, unequivocal departure from an economic system that came into being under very specific circumstances at the end of the 1920's; it came to Poland and elsewhere at the end of the 1940's, proving everywhere and at bottom to be wasteful and not very productive. And one must realize that the overwhelming majority of the Polish public would even be prepared to accept various kinds of political limitations in the field of government by the people (indeed, for some time called democracy in the West as well as in Poland) contingent upon achieving a high material standard on a comparable international scale.

To narrow the technological and economic gap—the one currently existing and the one newly emerging—as compared to Europe, it is necessary to break with designs whose correctness no one has ever proved in a rational way. Without getting into more detailed, thorough considerations, one can generally assume that among the most fundamental conditions for radical reform are a return to a balanced, triple sector ownership of the means of production, authentic independence for the majority of state enterprises and expanded cooperation, stripped of dogmas, with countries that have achieved the highest levels of economic efficiency on a global scale.

It is worth noting that both the state of awareness and public feeling in Poland and the international situation—especially considering Soviet politics—are favoring, as never since the 1940's, a bold break with the current model.

In tying considerable opportunities to inevitable radical political and economic returns, one must also remember several historical encumbrances. That Poland's situation has much in common with the situation of other moderately developed countries, regardless of their system—countries like Brazil, Argentina, Mexico, South Korea, Hungary, etc. Moving on to new, productive structures and new, more democratic political mechanisms has never been and is not now an easy or quick matter. Even greater problems are associated with the question of making up the distance lost in the distant and not so distant past to the most highly advanced states and societies of the world.

For that matter, for at least a couple of centuries, it has not come to the point of any kind of complex joining of a country behind in its development to a world leader—despite impressive fragmentary (military as in the USSR, economic as in Japan) events. That is why in its reform strategy Poland should always remember to supplement material and cultural development with steps that permit relative balance between economic and technological weaknesses and moral and political successes crucial to every nation and every human individual. Poles want to be proud of the accomplishments of their country in the sphere of civilization, culture, sports, science, etc. They need a greater than ever conviction that their state is self-reliant, independent and respected in the international arena because of its creation of original values.

In sociopolitical relations within the country a much stronger launching of individual and group initiatives and intellectual potential is crucial. Past decades have led to significant passivity by a majority of the nation in public affairs, whether from the conviction that the party-state apparatus exists to handle the affairs of the general public or from a lack of faith in the possibility of bringing about significant changes. This is not a purely Polish phenomenon. But because we know that the successes of the most highly developed countries of the world have their sources, to a great extent, in the clash of

ideas of various public groups and in the practical impossibility of achieving a state of self-gratification and a secure sense of lack of control by any kind of political force—conclusions emerge on their own. Indeed, it does not seem possible that there could emerge in Poland a system of two parties with a similar ideological profile—like the American model—but what is needed is a significant increase in rank of such political organizations as PRON, which continues to be on the fringes of fundamental processes. Regardless of its institutional form, daily, far reaching and open criticism of what the country's administration is doing and assuming is crucial in order to avoid a dramatic, negative appraisal after the fact.

Polish political culture is slowly approaching the level generally called "European." If that is truly the case, it is necessary to diligently prepare new mechanisms for making decisions and formulating political rules. But naturally this requires decisiveness and imagination, difficult to achieve in the crush of daily problems and fears of disturbing the existing relative stability.

One of the important elements of the policy of reform changes should be resolutely considering the matter of the "set of common values" of Poles. In this context the national question comes clearly to the fore. There can be no doubt that a generally ethnically homogeneous society, deprived of independence for more than a century must be especially sensitive on the point of national independence, dignity and satisfaction. Incidentally, the role of religion and the church in Poland's public life—a phenomenon downright exceptional on a 20th century European scale—would be incomprehensible without an awareness of the national framework of a situation wherein a spiritual type of institute has been transformed into a strong political authority and a powerful material institution.

The future Poland—perfected as a result of reforms—should be associated, much more durably and authoritatively than before, with the reformed, modernized Soviet Union—the best guarantee of our national and state security. This will be realistic above all on the basis of broad social contacts, decentralized cooperation and similar aspirations for development by both countries. It seems obvious that relations of this kind must be tied to great "external" openness, e.g., the readiness and capacity for broad, comprehensive, political, economic, and social cooperation with all the countries of Europe and the world. Without getting lost in details, this process will be possible and effective only when we are able to grasp accurately the direction of crucial global changes and follow them according to the state of national aspirations.

Is there ultimately a realistic chance for a fundamental improvement in the situation? There are many indications that there is. Mainly because for 40 years there

have never been so many favorable conditions to facilitate abandoning an ineffective economic system, as well as the many dogmas and systems that emerged in the Stalinist era.

The experience gathered, the ever more precise ability to compare the accomplishments of different countries and different systems, the civilizational quality of society that is much higher than in the past, the decidedly new aspirations of the young generation—all this comprises the sum total of internal factors opting against schemes and dogmas.

Additional incentives have arisen externally. The Soviet political and ideological revolution associated with Gorbachev, and similar revolutionary changes in Western or Far Eastern technological systems allow Poland to play many new developmental trump cards. There are many indications that if it were possible to adapt gradually, creatively and rationally, from current Soviet processes, a great deal of radicalism in discarding Stalinist model solutions and from the Western technological and informational revolution much knowledge about accelerated economic progress—success would be indisputable.

Admittedly, it is hard to expect that any nation could get rid of weaknesses and delays that have emerged over the course of a century in a short time. It is equally hard to imagine that the transfer of external values would not encounter numerous barriers. But if it is possible to creatively adapt a part of the Soviet (or Hungarian or Chinese) reform momentum and Western technological innovativeness, the qualitative changes in our life seem obvious. For there are more unexploited opportunities, suppressed for decades, for accelerating development than there might seem.

One has to say clearly that the model contrived under circumstances of regression, low political culture and ease in gaining control through the personal interests of aggressive individuals like Stalin over the passivity of the masses did not have much in common with the lofty ideals of social justice, socialist humanism and the highest prosperity in the world. But past socialist architecture did produce—besides setback and fragmentary successes—a fundamentally new way of thinking. A social consciousness which to some extent constitutes an investment in the future shape of the world. The only problem is how to discount it.

The specifics of the new stage (or new stages) of development will be created over decades if not centuries. But at this point one can say most generally that emerging freedom of expression and taking a different position, public consensus on interest in innovative change in the situation and other new systemic elements are enabling the release of the not insignificant capital of the intellectual potential of the public in Poland and its neighbors. Capital much greater than that where longer historical stability permitted earlier successes. From this comes a

solemn guarantee of progress, because history shows that new forces are an exceptionally important element in actuating national and world development.

That is why today too we should evaluate carefully the status or trends of national development, mindful of all possible twists of history and spirals of growth. But it is irrefutably apparent from the theory of crises that after every collapse there comes a phase of reanimation or even blossoming. Hence this optimistic look at the prospects of one of the most complicated, most regressive, yet most distinctively independent nations of Europe.

12776

Party Events Calendar 1-14 August 1988
26000035b Warsaw ZYCIE PARTII in Polish
No 17, 24 Aug 88 p 21

[Unattributed report: "Party Chronicle: 1-14 August 1988"]

[Text]

Meetings of the Politburo of the Central Committee

2 August. The Politburo began its regular evaluation of the voivodship offices' implementation of the resolution of the seventh plenum of the Central Committee.

It discussed, with the participation of the first secretaries of the voivodship committees, the effects of actions taken in the Ostroleka, Skierniewice, and Wroclaw Voivodships.

The Politburo examined the most essential tasks of party work among workers.

9 August. Members of the party and state leadership spent time among workers acquainting themselves with the course of the harvest; they also spent time with young people vacationing in summer camps and youth camps. Wojciech Jaruzelski, first secretary of the Central Committee and chairman of the Council of State, accompanied by Zbigniew Michalek, candidate member of the Politburo and secretary of the Central Committee, visited harvest workers, farms, and facilities and institutions associated with agriculture in the Koszalin Voivodship. Wojciech Jaruzelski also met and talked with children at a summer camp in Tymien.

The next day, Wojciech Jaruzelski continued his visit to the central coastal area in the Koszalin and Slupsk voivodships along a route through Polanow, Miastko, Bialy Bor, Czluhow, Chojnice, Piastoszyn, Obrowo, Ogorzelice.

Stanislaw Ciosek, candidate member of the Politburo and general secretary of the PRON National Council, met with a group of young people from Biala Podlaska who were participating in the "Avant-garde of the 21st Century" camp in Biala near Parczew.

Zygmunt Muranski, member of the Politburo, visited the Centuria Scouting Center located in Jura in the Krakow and Czestochowa region.

Wlodzimierz Mokrzyzyczak, chairman of the Central Control and Review Commission, familiarized himself with the supply situation at Agrom, visited institutions serving agriculture, and acquainted himself with the course of the harvest in the Ciechanow Voivodship.

Conferences and Meetings

5 August. At the PZPR Central Committee there was a conference of the secretaries of the voivodship committees responsible for political and organizational affairs. They discussed ways of implementing the decisions of the Politburo on issues of the operations of the party among the working class. They discussed efforts that party organizations should undertake in order to improve the effectiveness of work by enterprises, to accelerate the implementation of the principles of the economic reform in plants, to improve the working conditions for employees, and to resolve disputes and conflicts in plants. Stanislaw Gabrielski, head of the Political and Organizational Section of the Central Committee, presided over the conference.

8 August. On the 95th anniversary of the birth of Marcel Nowotko, a delegation of the PZPR Central Committee including Stanislaw Ciosek, candidate member of the Politburo and secretary general of the PRON National Council, Jerzy Swiderski, head of the Personnel Policy Section of the Central Committee, and Marian Kot, head of the Office of Letters and Inspections of the Central Committee, placed flowers on his grave in the Powazki Cemetery in Warsaw.

In the Offices and Organizations

4 August. Zbigniew Michalek, candidate member of the Politburo and secretary of the Central Committee, and Kazimierz Olesiak, member of the Presidium and secretary of the ZSL Main Committee, discussed the implementation of agriculture investment, the development of processing and storage infrastructure, and also the military's contribution to the recultivation of arable land with the leadership aktiv of the Bialystok region.

Interparty Cooperation

3 August. Jozef Baryla, a member of the PZPR Politburo visiting the GDR, visited a group of young Polish people at an international youth vacation and work center in Podbus on the island of Rugia.

5 August. A group representing the central PZPR authorities with Zofia Stepien, member of the Politburo, visited the DPRK. Hwan Dzang Jop, secretary of the Central Committee of the Korean Labor Party, met with the group.

13 August. Wojciech Jaruzelski, first secretary of the PZPR Central Committee and chairman of the Council of State, sent a congratulatory telegram to Denis Sassou Ngusoe, chairman of the Central Committee of the Congo Labor Party and president and head of the government of the Congo People's Republic, on the occasion of his country's national holiday.

13021

Maintaining Party Identity in Light of Far-Reaching Reforms Discussed 26000041 Warsaw TRYBUNA LUDU in Polish 11 Aug 88 p 4

[Article by Miroslaw Karwat: "On Party Cohesiveness: Dialogue and Alliances"]

[Text] The line of the socialist renewal is identified with the continuing expansion of understanding, and therefore with the broadening of the social base for the policy of reforms and national consolidation. A lasting achievement of this policy is the climate of openness, attempts to overcome the divisions and prejudices which can be overcome through dialogue. The offer of understanding still applies here and is, so to speak, being maximized.

It did not end with the PRON formulas. It also included the Consultative Council. It has recently been incorporated into the idea of "a coalition for the reform" or, as some people choose to call it, "an anticrisis pact." The question remains as to what sort of relationship exists between the development of agreement and dialogue, the growth of the subjectivity of the closest allies and those people cooperating at a greater remove, selectively, conditionally, without identifying with the party's whole policy, with what is called the party's ideological condition. Does the party's cohesiveness (to be more precise, that of its leadership) in creating the infrastructure of agreement (of new institutions) coincide with its ideological program ideas and with its own visions of a new social reality? In its ideological-theoretical reevaluations, is the party keeping up with the rate of the social changes which it is itself inspiring and inducing? And finally, given this new atmosphere of ideological reevaluation and revision of dogmas and pseudoaxioms, of emphasis on what they have in common and not what differentiates and divides them, and of a growing offensive posture on the part of PZPR partners, bolstering those striving to achieve their own identity and authenticity, to authenticate and manifest their own separateness, what sort of influence is all this having on the identity and cohesiveness of the party itself? It would seem that this very question is one of the gravest problems of the PZPR at this stage.

Speaking in the most general terms, the party is dealing better with reshaping its relations with the other social and political forces than it is with the task of defining itself in the new situation, with the need to put forth its own ideological advantages and strong points, because it is not true that the attainment of democracy in political life will automatically stimulate the party's internal consolidation or increase the attractiveness, social acceptability, or authenticity of its ideology. On the contrary, the activation of political changes on the outside should be (but probably is not) balanced entirely by simultaneous self-identity performed in time. Every party member should see what sort of meaning there is in the fixed elements of its values, what sort of ideas and principles have gone out of date, and which ones have continued to be important; for which ones the party is absolutely essential, where it cannot be replaced, and what sort of values set it apart. We cannot meet this need yet, because there is also a paradox: the party leadership is an initiating force which leads in political experiments, but the party also has a good deal of inertia. Partners outpace the leader, and their ideological profit from the changes is greater.

Ideological Inventory

The party needs a flexible, open policy, one derived not from ideological prejudices or dogmas but from real needs and social opportunities, one which therefore does not reject a priori any offer of cooperation or support but actually considers their content, value, and cost. Nonetheless, such a policy can be effective only when the party's own theoretical-ideological reflection and self-definition keep up with the rate of innovations in the political-structural changes in the configuration of forces and institutions. Keep up? What am I saying?! Keep ahead! That is just it. The "ideological inventory" in the party must precede its "dialogue" efforts. In any event, this open, unequivocal resolution of the basic dilemmas and ideological-program choices in the party, the definition of the relationships and differences between strategy and tactics, should determine the directions for seeking allies, the content, scope, and conditions of the dialogue, compromises, and alliances, and not vice versa. If such a condition is not met, then the dynamism, forward-looking thrust, and leadership of the party in creating the new political structures and "blocks" will shield ordinary reguard tendencies.

In order to confront these necessities, internal ideological life in the party must be qualitatively reformed. I think that under the present conditions there is a conflict between the party's model of action "outside" (which has become far more dynamic) and the model of its interior life, which does not correspond to the needs of self-definition and consolidation under the very conditions of dynamic dialogue and cooperation with the widest variety of political forces. This antiquated model of ideological work (derived from the times of campaigns handed down and centralized interpretations) is one of

those factors which keep the "party bottom" from reaching agreement with "the top." There are also numerous instances of disorientation and getting lost even among those who do not adopt defensive or conservative attitudes.

At many meetings, training sessions, and meetings with members of the leadership we can observe pressing questions put to members of the party and activist group: There are so many different opinions and interpretations, but what is the right position for the party to take?

It is clear that the party need not and cannot have a unified position on every issue. Such an expectation would be an anachronism, proof of being used to a so-called official interpretation. But when the dilemmas concern not the details, which the various party groups should handle in their own area, but basic matters, then what? When disputes and discussions concerning, for example, what dictatorship of the proletariat is, or whether one exists in our country or not or should, or what the present stage of socialism is in Poland, or whether the old assessment of private ownership still applies, or what the term "socialization" means, and what the so-called equality of the three sectors does not mean, and so on, then it is the obligation of the party to have a position and to make it possible for its own members to develop their own unequivocal opinion independently.

Vis-a-Vis Allies

Surely it is not possible for the party (itself directly or its leadership, its theoretical support) to give its members an immediate ready answer that is satisfying and exhaustive to all these questions. Many matters are just being thought through and reevaluated, but then it is the party's duty to tell its members: "This is the problem we have. We do not know yet what the correct answer or solution is. These are the positions being raised, the variants, the alternatives." There is nothing worse than the situation in which the party propaganda and political machinery's entire energy and activity and that of its activist group and leadership at the various levels are absorbed by busy efforts, in which pragmatic action or ad hoc "popularization" campaigns are treated as a substitute for ideological work and as a way to deal with the numerous doubts surrounding the party's daily practical action.

This need for clarity can be satisfied only when, along with the activation and real treatment of internal ideological work, the new mechanism of relations between the PZPR and allied parties, progressive associations of Christians and others, is thought through and portrayed in practical terms, because in this area the form of practice is not keeping up with the new content. As a result, at least on the PZPR side, the principle of partnership and subjectivity is reduced to bare diplomatic courtesy. We go from one extreme ("the party is always right at the very outset and has the first and last

word") to the other ("Excuse me for living!"). Sometimes too, the "need for a favorable climate" overshadows other needs, the necessity of maintaining one's own identity and dignity, up to the point of turning agreements into a fetish, creating some sort of "superideology," and so on.

The party must distinguish between the plane of political alliance and the plane of ideological relations with its allies. Political cooperation, far-reaching agreement on goals and political principles, are not the same thing as hiding the differences and even the ideological conflicts.

An ideological analysis of the conditions for entering into an alliance, participation in a joint policy in the case of individual partners, of course shows that the greatest agreement (which after all is the main subject of a political agreement) holds in the sphere of tasks related to the current stage and most immediate stages of the development of the society, but the differences are greater, insofar as an ultimate, far-reaching vision of society is concerned. Not all those who support the PZPR in defending socialism and improving socialism in today's form, will also support a more far-reaching program in the future.

It is clear that it is difficult to expect the party to put these issues at the very forefront today. We have still not done battle with all the problems of the initial stage of the construction of socialism. As a result of our own setbacks and distortions, we must convince a great proportion of society of the wisdom of socialism itself. But this does not mean that the party's horizons can be limited to getting out of the crisis or even to so-called normalization for the next 5-year period, too. Nor is "reform" a goal in and of itself. It is a means, but it is just because the goals of the reform can vary, because its concepts, programs, preferred means, and ideas about things that propel it forward or hold it back differ, that the party has undertaken work on a long-range program. Because of this, however, in interpreting the long-range program, in keeping with its name and intention, we should show the relationship between today's tasks and changes, and long-range goals, the relationship between the present stage (which should be carefully described from the viewpoint of the criteria adopted in Marxist formation theory) and the coming future stages in keeping with the historical laws.

Self-Purging

In this situation, satisfaction over the agreement achieved must not hide the concern about our own identity or reflections on whether the Marxist-Leninist party, as a revolutionary, socially radical party defined by class, differs from its allies. The partnership dialogue with all non-Marxist orientations joining in the construction of socialism must be accompanied by an attempt at self-purification.

I used a drastic word, but this does not mean that it is a question of some sort of drastic methods. The experience of the worker's movement shows that the Communist Party has many other ways of revealing and overcoming ideological divisions in its own ranks: mainly the mechanism of program disputes and unanimous solutions for the whole party that are binding on all. The proper place for a dialogue between Marxists and non-Marxists is PRON, but not the structure of the party itself. Just as we must insure progressive non-Marxists with the possibility of having their say, of partnership, and of influence, we must also insure that Marxists have the obvious and necessary right to be in charge, at least in their own group, in their own organization. And this statement may seem drastic or too severe, but the predominance of Marxism within the party itself must always be understood to be a continual task, and not an obvious given fact issued once and for all and guaranteed.

All this means also that it is the party's right and responsibility to define clearly the rules of "ideological coexistence" with allies. It is not sufficient either to discredit or unmask programs of the inherent opposition of the antisocialist, anticommunist doctrines of the West, and of reactionary ideologies here and there, or even to define ourselves clearly within our own ranks. The ideological struggle against the opposition, which is extremely anticommunist and which is after all conducted in concert with allies, betrays the spontaneous tendency to shift the focus toward state, political-law, and national issues and to concentrate on the "Polish reasons of state," on loyal-patriotic criteria, moralistic themes, and so on. Then the shadows swallow up the important social content of the opposition's programs, with their class nature, including those elements which also appear among our allies. So what else is necessary? Wise, loyal, straightforward discussion and ideological polemic with allies on those matters which divide us. In no case can it take on the form of sectarianism. It must not be reduced to placing the foes and advocates of socialism on the same plane, to some sort of "successive elimination of the uncertain." It must be waged and regulated in such a way that the ideological disputes among allies are not perceived as a dissonance in close political cooperation, but such a dispute must always be conducted when allies of the communists play the role of critics of communism.

Let Us Respect Ourselves!

The view presented here is not shared by everyone. It is not accepted in the so-called official circles, which is understandable. After all, it is a question of maintaining a favorable climate, a sense of responsibility, and so on. But working cooperation in concrete matters, agreement in closed groups, and so on, will not replace public dialogue nor overcome the relative isolation of the rank and file members from one another in allied organizations. In response to similar suggestions there are the arguments: "That smells like opening up new fronts, of fighting with everyone, adventurism, sectarianism, and

the like." But there is an element of blackmail in this line of argument. It also leads to pragmatism. Then issues of a strategical dimension are subordinated to the ongoing demands of a favorable atmosphere or "protocol." It will be no heresy for me to say that a party member should know the difference between the position of the PZPR and that of the ZSL or SD on certain key issues, if there is a difference; the difference in the interpretation of social phenomena and history as presented by the PZPR and that, for example, found in the press of progressive Christian organizations. Neither PRON nor socialism will fall on that account. On the other hand, if we leave on the stiff corset of silence and things left unaid, the condition of the party will be far worse.

I repeat this view in the greater conviction that on the part of the party's partners (at least some of them) there are no expectations of wiping it all away, of "smoothing out" all the wrinkles, or of being directed by living room principles of embarrassment. On the contrary, our allies are far more offensive in ideological discussions. One could even say, not without malice, that in the realm of ideological statements, the ratio that predominates is the reverse of that in the sphere of the balance of power. Many statements formulated among allies (let us recall, for example, the substitution of one bias in assessing Witos with another, only a positive bias, equating atheism with nihilism, the hysterical reaction to recalling Maksymilian Kolbe's prewar political orientations and sympathies, the rehabilitation of National Democratic thought, and so on) absolutely demand a response from our side. Such responses do occur, after all, but they are sporadic and incidental, and they often run into attitudes against "being irritating." Meanwhile, as everyone knows, people respect most the partner who respects himself and knows what he wants, because as agreement is reached between partners, allies, a condition to mutual respect is respect for oneself.

10790

Wroclaw Voivodship, Ecclesiastical Authorities Meet

26000053b Warsaw RZECZPOSPOLITA in Polish
24 Aug 88 p 2

[PAP report: "Meeting of Voivodship Authorities With the Wroclaw Metropolitan"]

[Text] On 23 August at the Voivodship Administration Building, First Secretary of the Wroclaw Voivodship PZPR Committee Zdzislaw Balicki and Wroclaw Voivode Janusz Owczarek met with His Eminence Henryk Cardinal Gulbinowicz, Metropolitan of Wroclaw.

According to the joint communique of the participants in the meeting, the current socioeconomic situation in the country and voivodship was discussed. Both sides agreed on the need for incessant efforts by the society, the state, and the church, with the object of achieving social peace, and for diligent labor to uplift the economy

and develop democratic methods of governance. It is only in the presence of order and national reconciliation that reforms of the state and the economy can be accomplished. The role of the church and its concern for the moral health of the nation, for respecting work and its results, were emphasized.

The conversation also touched upon aspects of the construction of places of worship and ecclesiastical structures.

Concluding the meeting, the Wroclaw Voivode thanked the Reverend Cardinal for transmitting to the Wroclaw health service additional gifts in the form of valuable medical equipment.

1386

ROMANIA

Romanian-Slovak Poet Interviewed

27000010 Timisoara ORIZONT in Romanian
23 Sep 88 pp 4-5

[Interview with Ondrej Stefanko by Valeriu Bargau; date and place not given]

[Text]

[Question] First I would like to ask you if poetry is an attitude of the spirit against the nothingness of man?

[Answer] I do not know if poetry is an attitude of the spirit against nothingness, but I do know that poetry is an attitude of the spirit. It is a subjective attitude which, because it is purely subjective, acquires the value of objective knowledge of the truth. And, because it is a subjective attitude, a poet's truth is extracted from the depths of his subjectivity, from his subconscious, from the free circulation of light between the conscious and subconscious. And if by nothingness you mean vanity, uselessness, lack of meaning and value, then, because of the fact that it has the value of objective knowledge of the truth, a poet's truth, like a clean and ennobling breeze of the conscience born in the darkness of the subconscious, a damp breeze which sweeps away clouds and cheers the spirit, dispels vanity, uselessness, lack of meaning and value.

[Question] In your book "Rozpaky" [Doubts] published by Kriterium Publishing Office, I read a moving poem entitled "Carusel" [Merry-Go-Round]. I will recite the beginning of the poem for the readers of ORIZONT: "A single letter is a formless island/which only waves of words can wash away." The poem as a whole seems to me to be a disquisition on the poetic art. Do you remember the context in which you wrote it and the thoughts which impelled you to do the writing?

[Answer] It is difficult for me to remember the context in which I wrote each of my poems. It is difficult because I am now writing another poem. I wrote a different one yesterday and I certainly will write another one tomorrow. Impulses of the moment, thoughts which occupy me at a given instant, moved me yesterday and today and will do so again tomorrow. But I believe that in the poem you refer to, and in other poems of mine past and present, I tried and try to find an answer to the question of the essence of the word filled with countless semantic contents, forced by the poet, subjected by the poet, whereby he, the poet, seeks to autopsy the spirit, its naked truth, setting it forth in coded language, with the courage of his peers. The poet does this even though he knows that "the essence of poetry is poetry" (as Pushkin said).

[Question] As a young Slovak-speaking poet, would you please give a concise account of Slovak literature in Romania? We would like to know especially about your young colleagues.

[Answer] Slovak literature in Romania is a young literature, which came to full flower in the 1970s. Young people are all colleagues of my generation. It is true that Slovak literature has existed in these parts for a century, but I believe that not until now can we speak of a "golden age of Slovak literature in Romania. This is proved by the nearly 50 volumes published in the last 10 years. I would like to mention several names which the Romanian reader has encountered or will encounter in the pages of literary journals and on the dust jackets of books, the poet Ivan Miroslav Ambrus, the prose writers Dagmar Maria Anoca, Pavol Bujtar, and Stefan Doval, and among the youngest the poet Adam Suchansky. They are writers actively working on books or engaging in sustained journalistic activities.

[Question] Are you familiar with the literature written by your young colleagues? To which of them do you feel yourself to be the closest?

[Answer] It seems to me to be absolutely normal to be familiar with the literature written by my colleagues in the country. After all, I live in Romania and write in the context of Romanian letters, and I am convinced that I belong primarily to this context. Hence it is natural for me to be acquainted with what is written in our country. It is more difficult for me to talk about closeness. No, I do not feel myself to be close to the creative work of colleagues; I find it difficult to select quickly a few names out of the multitude of creative writers with whose creative work I feel an affinity. I would point out that Romanian translations of my creative work have appeared and continue to appear in Romanian literary journals, and I expect that manuscripts of volumes of translations of my poetry sent to other publishing offices will start to appear next year.

[Question] You live, work, and write at Nadlac. Does the locale, the environment, have any influence on your writing?

[Answer] Of course it does. I believe that the experience accumulated in life over a period of centuries by this community, which is small geographically but enormous from the viewpoint of potential impetus toward literary creation, has a considerable influence on my writing. And perhaps you have been waiting to talk about the isolation of a writer who lives in the provinces. No, that is something I cannot talk about, because I feel myself here at home to be close to the cultural centers of the country and the world. My writing is nourished by life hereabouts, which I feel to pulsate in my thought, and by the presence of these people, whom I feel to be my own.

[Question] You have done translations. Is translation an office chore or a true art of secondary creation? Have you given any thought to compiling an anthology of young poets in the Slovak language?

[Answer] To me translation is not merely a secondary concern; it stands on an equal footing with my other more or less main concern of filling blank pages with my doubts and certainties. Translation of occasional, marginal, quasiliterary works possibly may sometimes be (or has been) merely an office chore, but the majority of the translations published in Romania are the result of a work of re-creation (not in the sense of liberating recreation) not just by professional translators but especially by writers who by their work have presented to our culture countless fundamental works of world literature clothed in Romanian garb, books which have had and continue to have a beneficial effect in our cultural context.

I believe that we ethnic writers in particular, who in effect use two native languages, have the obligation of carrying on this work of re-creation.

[Question] You are an especially interesting modern poet. I regret that readers simply have to take my word for it. Is there a continuity in Slovak poetry in Romania?

[Answer] I believe that a writer who belongs to an ethnic minority carries on his creative work in three cultural and literary contexts. First of all there is the cultural and literary heritage characteristic of each minority in these parts, that is to say, the heritage of its homeland, even though it costs the writer painstaking work to revalue this heritage. Secondly, the cultural and literary context of our country, that is, the Romanian literary context, is of overwhelming importance. Regardless of the language in which we write, all of us have been molded as writers and persons in this context, with all that it comprises, from tradition to common social and historical background. The third context is in my case the Slovak literary context (from Yugoslavia as well as Czechoslovakia), from which I probably derive certain elementary formal, linguistic and stylistic, impetuses. However, what we Slovak writers in Romania write differs widely from what is written in Slovakia. This is obviously due to

the predominant role of the first two contexts. And I am convinced that because of this merging of contexts the literature which we ethnic writers create is interesting and stimulating.

[Question] Do you feel yourself to be part of a generation? This concept is furiously rejected or joyfully embraced. What does it mean to you?

[Answer] I do not know if the concept of generation is the most felicitous one with which to place a writer in the context of a particular period in order to pass judgment on him. Essentially, each of us finds his own way. Even at the beginning of his career as a writer he seems to join a certain coterie or follow a certain trend. Take me as an example. My work began to be printed in 1971 and the first volume of my writings was published in 1977, so what generation do I belong to? I neither know nor care.

[Question] Are you tempted to write something other than poetry? What is the significance of the review VARIACE [Variations], the annual anthology of literature written by Slovaks which you are compiling for Kriterion?

[Answer] Not only am I tempted to write something different, I am in fact writing something other than poetry. There are currently three new books which present the bulk of my work. One is a collection of pieces on Slovak folklore in Romania; I am coauthor of the introductory study. There is a volume of prose writings for children, "Desat strelnych rozpravok" [Ten Striking Stories], along with the 8th issue of the anthology to which you refer, in which my name is signed to poetry, short prose pieces, poems for children, an essay in literary history, and two reviews. To round out the picture I will mention that I am working on a novel. VARIACE, the 9th issue of which I now have in preparation, as a matter of fact takes the place of a literary review for Slovaks in Romania, and I believe that the eight issues which have been published (starting in 1978) have succeeded in being a faithful reflection of Slovak writing in our country.

[Question] Is there anything else you would like to add for the readers of ORIZONT?

[Answer] Just thanks for their attention in following this interview.

6115

YUGOSLAVIA

Serbia's Equality Termed Vital to Country
28000019 Belgrade NEDELJNE INFORMATIVNE
NOVINE in Serbo-Croatian 9 Oct 88 pp 22-23

[Article by Dr Dragoje Zarkovic, professor: "Equal Rights for Serbia—Yugoslavia's Survival"]

[Text] The period of public debate over the Draft of Amendments to the Constitution of SR [Socialist

Republic] Serbia has been distinguished by an exceptional phenomenon: tens and indeed even hundreds of thousands of people have been gathering in rallies and protest meetings to publicly express their great dissatisfaction because of the splintering of SR Serbia into three states, which opened the way for the growth of the counterrevolution of Albanian nationalists and separatists and threatened the Serbian and Montenegrin people very harshly, and because of the deep general crisis in our country caused by the quiet bureaucratic counterrevolution, which has been going on for 20 years now. Let us hope that in this kind of atmosphere the Constitutional Commission of the Assembly of SR Serbia will give the results of the public debate their full due and prepare a package proposal of amendments which will signify quite broad and deep changes of the Constitution in order to correct SR Serbia's unequal position relative to the other Yugoslav republics. That would finally bring to an end our practice in which the alienated bureaucracy does what it wishes without taking into account what the people thinks and desires, as, for example, has been evident in preparation of the package proposal of amendments to the SFRY Constitution.

The principle of equality is a pillar of every democratic society. Consistent respect for that principle cannot be disputed in any way. Objections to its application should be considered invalid. This must be taken into account by the Constitutional Commission of the Assembly of SR Serbia, since the demands already expressed en masse for the equality of that republic have become an imperative which dare not be ignored. The present constitutional change must guarantee SR Serbia and the Serbian people the full dignity which this country affords the other republics and nationalities. This is an unavoidable condition for the survival of Yugoslavia. Whoever fails to understand it will find himself on the dust heap of history.

The question asks itself: How did it happen that the problem of SR Serbia's unequal position arose and took on such proportions that it has become a political problem of the first order for Yugoslavia? We simply cannot get around this question, since it is well-known that our communist movement long ago declared itself in favor of the principle of equality, and our country has declared itself to be a democratic state.

We might mention in passing that we really need not enumerate on this occasion the many forms which SR Serbia's inequality takes, since this is well-known to any objective person familiar with our political and socio-economic system. There is no point even talking about this to fanatical separatists and enemies of the Serbian people, since they are deaf and blind to this problem.

The answer to the question we have asked is very important to finally breaking the resistance to resolving the problems of the unequal position of SR Serbia, which certainly will come about at some point.

As is well known, the view has long been held in our country that one of the essential causes of the rapid downfall of the old Yugoslavia was the unfavorable solution of the nationality question of the non-Serb peoples in that state. Let us suppose that that actually was the case.

At this point, the new Yugoslavia is most shaken and, one would say, most threatened by the poor solution as to the constitutional and legal status of SR Serbia, that is, the unfavorable solution as to the position of the Serbian nationality as the most numerous nation in this country.

So, without full equality of the Yugoslav nationalities and of their republics, there can be no stable and strong Yugoslavia, nor indeed can it survive at all.

The Serbian nationality is quite tolerant. It has not persecuted anyone on an ethnic basis. The fact that it is going out in the streets today in ever greater numbers to demonstrate means that great trouble has compelled it to raise its voice and to let the ruling structures of Yugoslavia know that it can no longer put up with such a status.

In my opinion: the roots of this problem lie in the unfounded view that the old Yugoslavia was greater Serbia, that Serbia supposedly subjugated the Croats, the Slovenes, and the Montenegrins, while it enslaved the Macedonians and Albanians.

Yet it is a fact that Serbia made the greatest sacrifices in liberating the territories of the South Slavs from the foreign occupation, that it had the most to do with the creation of Yugoslavia. By no means can it be said that the non-Serb nationalities were subjugated and enslaved.

Certainly, the differences in historical development and position, in religion and tradition have been and still are an important factor in the internal antagonisms in Yugoslavia and in the slow integration of its nationalities. Many external factors have also worked strongly in this direction and do so even now: the Comintern, the Vatican, the Austro-Hungarian abhorrence of the Serbs, etc.

When it comes to Kosovo, and it is now a central problem, then we should recall that before the dominant view in the leadership of the CPY was that it had been Serbianized following the Balkan Wars, although it is well known that it is the cradle of the Serbian nationality. That leadership felt that it should be de-Serbianized, i.e., Albanianized! In fact, a very great effort was devoted to that, and much was accomplished. Otherwise, it would not be possible to understand how it could happen that in 1945 a federal enactment was passed to prohibit the return to Kosovo and Metohija of the Serbs and Montenegrins who had fled from there in the period 1941-45 because of the frightful reign of terror. That enactment, in my opinion, is profoundly counterrevolutionary,

extremely antihuman, anti-Serb, and indeed even monstrous! But it had been inspired by the topsy-turvy political philosophy of Comintern origin concerning the need to de-Serbianize Kosovo. The more than favorably disposed attitude toward the emigres from Albania after 1945 was in the same vein; many of them, it is now being learned, were and have remained agents of Sigurimija. This can also explain both the relinquishment of a portion of the territory of SR Serbia to Albania to build that hydroelectric plant and the construction of the railroad line from Titograd to the Albanian border, which not only is not beneficial to our country, but is in fact harmful. What is more, since 1948 Albania has figured as our country's greatest enemy!

We have been witnesses to the shameful situation in which Yugoslavia's leadership has for years looked almost calmly upon the Golgotha of Serbs and Montenegrins in Kosovo. There is no comprehending the state of affairs that prevailed until recently in which members of a squad of the federal police wiled away their time in the village Ajvalija playing cards and dominoes, while at the same time in the Serbian and Montenegrin villages, the Serbs and Montenegrins—exhausted by their farm labor in the daytime—posted themselves are nighttime guards to protect the villages from Albanian criminals.

Only the political philosophy we have mentioned can explain how it could have happened that an Albanian national and member of the CPA and, as we have recently learned, a personal informer of Enver Hoxha, was for years in Yugoslavia's top leadership!

This kind of situation has resulted from the very way in which communist parties are organized, since in them the opinion of those at the top becomes dominant even though it may be utterly mistaken. It is not just a question of their opinion, but also of their decisive influence on personnel decisions at all the lower levels—in our case, at the level of the republics and provinces, as well as of practical undertakings to realize the political philosophy.

The unfounded fear of Serbia as the largest republic can also explain why autonomous units were set up only in it, although just as much basis for their creation existed in certain other republics.

When the course of decentralization was adopted in our country, some fear of Serbia again sprang up. It is no accident that Mika Tripalo said that Serbia's wings had to be clipped! That fear can even explain the confederalization of our country.

SR Serbia's present unequal position plays into the hands of all those (in the country and abroad) who would like to see Yugoslavia fall apart. It also suits those who dream about a greater Albania or a greater Bulgaria.

There is no doubt that the immense majority of our country's citizens do not want Yugoslavia to fall apart. This has been clearly demonstrated by the present rallies showing solidarity with the demands of the Serbs and Montenegrins from Kosovo that an end be put once and for all to the raging of Albanian nationalists and separatists.

When the diverse population of western Europe is integrating more and more in order to live better, why would our nationalities, which are very similar, move apart? Such ideas can exist only in the heads of ethnocrats who have placed their own interests ahead of the interests of their nationality and have thus betrayed their nationality. What

we badly need, then, is a broad democratization of political life and a thorough renewal of personnel in this area. None of the key problems of the present Yugoslavia can be solved otherwise.

If the problem of SR Serbia's unequal position is not finally solved now, tomorrow may be too late. The nationality problem of the Serbs is boiling now, but tomorrow the grave social problems all over Yugoslavia, which will result in many uncertainties, will boil over (if in fact they have not already boiled over). There is no longer any time for partial solutions and partial reforms!

07045

POLAND

Commentary on South Korea: Consumer-Goods Industry Pivotal to Expansion
26000021 Warsaw POLITYKA-EKSPORT-IMPORT
in Polish No 16, 20 Aug 88 p 18

[Text] South Korea has stopped being a developing country. The Japanese shipbuilding industry has been outstripped by the Koreans in production for export. Yet it is difficult to include among developing countries one which is leading in world ship exports.

The resident officer of the International Monetary Fund in Seoul, which since 1964 supervised the proper use of loans granted through the Fund as well as implementation of strict recommendations in the area of financial policy, also arrived at such a conclusion. On 15 July 1987 the IMF closed its office in Seoul, recognizing South Korea as a "country of fast economic progress not requiring further supervision."

The scale of the economic development of South Korea is best illustrated by the quantity of its exports. In 1962 this amounted to only \$422 million. In 1984 it reached nearly \$30 billion, while in 1987 it exceeded \$40 billion.

How did a once decidedly agricultural country, destroyed by war and still now also assailed by incessant social unrest over a decidedly authoritarian system of government, achieve such economic success?

After the armistice in Panmunjom (1953), regions that had rich mineral resources and fairly well-developed industry during the Japanese occupation (1910-45) fell to the DPRK, while in South Korea backward agriculture predominated. Before 1962 the economic progress of both countries was incomparable.

A Powder Keg

The DPRK was not at all content with the "Japanese industrial legacy." It made quick progress in industrialization, implementing first a 3-year plan (1954-1956), and then a 5-year plan. As a result of these, industry's 46 percent share in the national income "inherited" from the Japanese grew to 70 percent. The DPRK overcame underdevelopment of the agricultural economy, increasing irrigated areas by up to 500 percent by 1956.

At the same time, stagnation reigned in South Korea. From 1954 to 1959, 30 to 50 percent of the government's budget consisted of economic help from the USA. Despite additional military assistance from the USA amounting to \$250 million annually, Seoul on its own initiative appropriated nearly half of its normal budget for military objectives. The civilian economy, in which stagnation reigned, suffered for this.

Unemployment was high, and dissatisfaction grew among the public, which had heard of the progress of their neighbors in the North by radio. We can read about those years in a book by Edward Kim published in Seoul (1985), "Facts About Korea": "Social unrest and hatred of the government complicated the resolution of questions resulting from the war. We had 300,000 widows, more than 100,000 orphans, and hundreds of thousands of unemployed workers, whose number was increased dramatically by peasants looking for work in the city.... This was a real powder keg, and only a spark was required to explode it."

The explosion occurred on 15 March 1960. After electoral machinations by the Liberal Party of Syngman Rhee, a crowd of several thousand appeared on the streets of Masan, which the police dispersed, killing 8 demonstrators and wounding nearly 50. The demonstrations begun in Masan spread like wildfire over the entire country. Not even a state of emergency put a stop to it. As a result, Syngman Rhee had to withdraw. But the new government of the then Democratic Party, sunk in factional disputes, did not successfully avert aggravation of the political and economic situation. This provided a pretext for a coup d'etat, which General Park Chung Hee carried out on 16 May 1961. He remained in power until 26 October 1979, when he was assassinated. After somewhat less than a year of political chaos, General Chun Do Hwan took power by a subsequent coup d'etat, and has been president since 16 August 1980.

Seoul's 5-Year Plans

The reforms of Gen Park played a fundamental role in the transformation of South Korea into an industrial state. His policy was based on a ruthless military-police system of government, moderated somewhat after a national plebiscite and introduction of the so-called Yushin Constitution (Revival Reforms Constitution) in December 1972. Park joined a tough domestic policy with a narrow, unilateral economic liberalism. The essence of the latter consisted of the selective development of industry inclined toward exports, with maximal limitations on commodities for the domestic market. Park effectively dealt with corruption and speculation, and completed his economic policy with an unusual undertaking, at least for a capitalist state. In 1962, most certainly influenced by the economic success of the DPRK, he initiated the first 5-year plan (1962-66). The obvious success of this venture prompted the introduction of a successive 5-year plan (1967-71).

In the first place, development of light industry was put forward, which did not require overly high investment outlays and could in the first phase be based on cottage industry, among other things. The textile industry played a major role, maintaining first place in South Korean exports until the present day. In 1962-86, this line of business earned \$137.6 billion on exports. In 1987, textile exports to the United States alone increased by

unprecedented jump is the chief result of the 3-year plan based on the restructuring and modernization of the Korean clothing industry initiated on 1 July 1986. It included divergence from the hitherto relatively extensive use of cheap labor toward the introduction of highly productive machines. However, further growth of Korean textile exports (and of other products) is threatened by the increasingly serious fall in the value of the dollar, increase of basic raw-material costs, and an increase in wages necessitated by the wave of strikes this year. It is anticipated that the combination of all these negative factors will cause an increase in production costs of 25 to 30 percent, and a similar decrease in competitiveness of the finished articles. Despite this, the clothing industry very likely will maintain its leading position in exports also in the nineties.

Evaluating its role up to now, the monthly KOREA BUSINESS recently stated that "the textile industry earned the investment money needed for development of the Korean heavy and chemical industries. And it continues to make a profit, also for repayment of huge foreign debts contracted formerly.

In 1986 South Korea's total debt amounted to \$44 billion. However, up till now Korea has been repaying it with no great effort. Last year indebtedness decreased to somewhat less than \$40 billion.

Electronics and Steel

Second in the amount of sales and exports is the electronics industry. In the first half of 1987 its sales increased by 50 percent in relation to an analogous period in 1986. In 1986, finished electronic items were sold for \$7.6 billion, which in turn was a 55 percent increase in relation to 1985! Nearly 60 percent of the export production of the two largest concerns, Samsung and Daewoo Electronics, goes to the USA. Electronic goods now account for 19.1 percent of South Korea's exports.

The shipbuilding industry, which caught the attention of economists so strongly, is not among the "top five" in spite of appearances. Besides the clothing and electronics industries, it is outpaced by the steel industry (7.2 percent share of exports), the shoe industry (6.1), and the automotive industry (4.8). In 1986 indications of a crisis were visible in shipyards. On the other hand, during the first half of 1987 Korean shipyards proceeded to fill orders for 65 ships having a total displacement of 1.7 million tons and a value of \$914 million. In relation to the crisis year of 1983, this meant an increase of 163 percent with respect to tonnage and 120.1 percent with respect to value of profit. This progress proved so encouraging that the Korean Development Bank decided on an additional investment in the Daewoo Shipyard of 120 billion won (about \$120 million).

The steel industry is third in the size of its exports. However, for 2 years it has not kept pace with the needs

of the home automotive and machine industries. In view of the large capital-intensiveness of new investments, there is no possibility here of annual growth on the order of several score percent. The largest steel concerns, Dong-kuk and Kang-won, are hurriedly expanding their productive capacity at present. Dong-kuk is investing around \$110 million in the expansion of a steel mill in Pohang in order to increase production by 300,000 tons. This would indeed cover the national deficit, but would not satisfy growing export needs. It has been estimated that Korea could export 350,000 more tons of steel than it produces at present. The demand for Korean steel is still growing, despite limitations imposed by importers (on 1 July 1987 President Reagan extended the period of validity for quotas on steel imports into the USA by 26 months. More complete satisfaction of domestic and export needs presumably will occur this year, thanks to putting into service the new fittings for the Kang-won steel mill ordered from Krupp. These will allow an increase in production by 450,000 tons.

The automotive industry, in fifth place on the list of largest exporters, was still almost unknown worldwide in 1982. In 1983 a nationwide plan for its accelerated development was undertaken, which strikingly quickly brought results. In 1984 for the first time production of personal automobiles exceeded a quarter of a million (260,000), of which 52,000 were exported. A year later the foreign sales of the three largest auto makers, Hyundai, Daewoo, and Kio, reached 440,000. Thus in the course of a year there was an eight-and-one-half-fold increase in exports!

At present, production of personal cars in South Korea is 1.1 million annually. In 1990 it should attain 1.5 million. But automobiles are not the only source of exporting success in the automotive industry. The export of tires and instruments alone to the USA during the first 5 months of 1987 brought \$273 million, which is an increase of 49 percent over the analogous period in 1986.

'Competition and Cooperation at the Same Time'

Among the reasons for the exporting successes of the newly industrialized countries of Asia are cheap labor and consequent low prices for the products being sold. However, the era of crucial significance of these factors is slowly coming to an end. Protective tariffs and import quotas are only the first defensive steps of the Western countries, which informed "unilateral exporters" that long-term foreign trade must be bilateral.

South Korea avoids such obstacles by various means, including building factories and assembly lines in countries importing its finished articles. An example might be the automobile assembly line and wheel factory built by Hyundai in Canada. Last year in July, Kunja Industrial Company began construction of a sweater factory in South Carolina. At present a total of 74 South Korean

enterprises are being founded abroad. On the other hand, more and more foreign investments are being made in South Korea, most often based on joint ventures. An example here might be the agreement signed last year by Shell Overseas and Kumbho Group for the construction of three refineries.

A fundamental reorientation of import policy is occurring. In July 1987, the Foreign Trade Law came into effect, destroying numerous import barriers. The Korean Corporation for the Promotion of Trade (KOTRA), known for its reluctance toward importing, is also changing its policy. Its new slogan for international use is now, "Competition and cooperation at the same time." Before the end of 1988 the list of products whose import into Korea so far has been forbidden or restricted will be shortened by up to 95 percent.

In the long run, policy for the import-export balance has no major chances without expansion of the hitherto restricted domestic market. For many years its development was knowingly hindered by a low-wage policy and the push for exports at the cost of domestic consumption. For example, before 1986 only 20 percent of cars were earmarked for sale in Korea, while a high "barrier" tariff on foreign cars was maintained. In regard to the number of cars per 10,000 inhabitants, South Korea is at the bottom of the list of other industrialized Asian countries (Japan-240, Taiwan-49, Korea-15). Also wages in Korea are much lower in relation to the countries of western Europe, not to mention the USA. As a rule, wages guaranteeing an adequate standard of living here are taken to be 600,000 won, or approximately \$730. A highly skilled worker earns this much after several, sometimes more than 10, years of work. However, there are large social groups earning significantly less, especially women and youth just starting to work. Wages for graduates of various kinds of schools are exceptionally low, although one must admit that wages increase relatively fast in proportion to training and increase in skill. Just after completing his studies a graduate of higher humanistic studies earns on the average 303,000 won (about \$370), and 314,000 (about \$380) after graduation from a polytechnic university.

However, it is a rule that a less-well educated person cannot earn more than one possessing a higher degree of education.

The low-wage policy was one of the main reasons for the strength of the strikes last year, when increases on the order of 25-30 percent were demanded. From June until the end of August a wave of nearly 800 strikes engulfed Korea, posing a serious hindrance to economic growth.

New Partners

Greater and greater difficulties in Western markets turned the Koreans' attention to countries which heretofore were outside their sphere of interest, and also for ideological considerations. An important step, although

as before rather symbolic, was the initiation of trade exchanges with the Chinese in 1985. After all, the affairs of the PRC are often found on the front pages of Korean newspapers. This statement by Zhao Zhi Yang in August last year had especially wide repercussions here: "The Chinese must first arrive at the early stages of capitalism before they will manage to build an efficient socialist economy."

Attention has also been drawn to the fast development of economic relations with India. The monthly KOREA BUSINESS stresses that particular opportunities for Korea lie in the polyester fabric industry, Indian space research programs, and telecommunications (a Pole may read with a certain wistfulness that Indian telecommunications provides an opportunity for Korea due to its exceptional backwardness, since in India one waits up to 2 years for a telephone). Many Korean firms have already secured a strong position in the Indian market, building their factories there or supplying complete [turnkey] equipment to others. In 1987 Cheil Synthetic Textiles won a bid to supply complete machinery and technology to the largest clothing manufacturer in India, the Baroda Rayon Company. For several years the Korean firm Goldstar has been the regular supplier of telecommunications and power cables.

South Korea today maintains full diplomatic relations (and right after them, economic relations) with 47 countries, including all those that consider themselves Western countries. The growing economic attractiveness of Korea causes the number of embassies and trade representatives to grow quickly. In any case, one may not now speak of the isolation of this country, as one could only a short while ago. This phenomenon may be interpreted in various ways from a political or an ideological point of view, but it cannot be ignored.

13324/08309

British Computer Firm Joint Venture Described *26000062b Warsaw RZECZPOSPOLITA in Polish* *5 Sep 88 p 3*

[Interview with Jan J. Kluk, vice president, Furnel International, Ltd. board of directors, and director, Warsaw branch, International Computers, Ltd., by Mariusz Chmielewski; date and place not given]

[Text] International Computers, Ltd., the largest British computer firm, has been operating on the Polish market for 25 years. It began with cooperation with the Wroclaw Elwro in the production of computers and with Mera in Blonia in the production of printers. Today ICL computers are being used in almost all of the larger enterprises and institutions of our country, from Lenin Steelworks to the Polish Press Agency. As of January of this year, ICL is a shareholder in Furnel International, Ltd., which is made up of eight enterprises of the wood and furniture industry in Poland.

A RZECZPOSPOLITA journalist talks with the director of the ICL branch in Warsaw, Furnel International, Ltd. board vice president Jan J. Kluk:

[Question] The number of joint venture companies is slowly growing. What is the truth about the possibility of the functioning of foreign capital in Poland? Is it worth investing in these companies or not?

[Answer] I am a manager by profession and the decision to join the company is the best answer to that question. I came here to make money, not to lose it. But this is a short and incomplete answer. The decision to become part of a joint venture is the consequence of a specific strategy of development, decided upon by the ICL management.

[Question] What are its general assumptions?

[Answer] There are several of them. When I found myself in Poland in 1979, the signs of an approaching economic crisis were already apparent. Events began to occur very rapidly, until the imposition of martial law. We decided then that a crisis is a good time to do business. Thanks to our many years of association, we remained on your market and concerned ourselves primarily with training cadre. We knew that the crisis would not last forever. Our calculations proved to be correct. Our competitors withdrew while we remained. In 1980, annual sales amounted to approximately 28,000 pounds. This year we expect sales on the order of 5 million pounds. Another part of our strategy—and this has a direct connection to the joint venture—is that we conduct business in a way which allows our Polish partner to obtain the best possible results in foreign trade. An example of this is our long-time partner, METRONEX.

[Question] How did Furnel, Ltd. come about?

[Answer] We wanted to establish ourselves more solidly on the Polish market. Economic reform and the law on foreign-capital companies gave us the opportunity to do so. We began to look around for people who were willing to work with us. Our traditional partner, Elwro, was not interested, despite the fact that they were the first ones we talked to. We looked further. And that is how we came upon Jan Bandurski and the furniture industry. We quickly came to an agreement. ICL spends over 6 million pounds a year on the purchase of computer furniture. We decided that we could begin to produce this furniture jointly in Poland, by modernizing the equipment in Polish furniture factories. An accurate examination of the financial situation of the shareholders showed that even under the most unfavorable conditions, this business will be profitable for all concerned.

[Question] Has the 6-months' operation of the company confirmed these forecasts?

[Answer] The effects of this marriage are already fully apparent. Already export has increased beyond all planned measure. Labor productivity has increased as much as 50 percent. This is the result of the application of completely new management methods and different, than heretofore, incentive systems. Suffice it to say that due to these incentives, the number of absences due to illness has dropped by half. We estimate that after the factories are completely modernized, their total production will double, and export will quintuple. And quality will definitely improve.

[Question] The prospects are really interesting. Does all of this mean, returning to the question asked at the beginning, that the road to the development of foreign-capital companies is strewn with roses?

[Answer] I did not say that at all. I am only going by the old rule: first the good news, then what is left. The fight for a customer is a race. One goes into the contest to win. In a certain sense, the foreign-capital companies now functioning, are beginning this race with one hand tied to a leg, speaking graphically. And it is not the imperfections of the law which are at fault, but the executive regulations which have sprung up around the law. In order to meet the competition, the company must act speedily and efficiently. Yet the contradictions in some regulations, lack of others, failure to adapt to the conditions of operation of third companies, make the advisability of such an venture questionable.

[Question] Nevertheless, you have faith in the success of Furnel, Ltd....

[Answer] Yes, because, after all, this is partly my company, my money. But I am afraid that if certain financial issues are not unequivocally solved, Poland will not be able to count on a greater influx of foreign capital. After paying taxes, reselling part of the foreign exchange to the State Treasury, the remaining sum should be at my disposal—the disposal of the company board. After all, a company is not a unit of the socialized economy. Why, then, do we have to comply with the regulations which are in effect for that economy? There are more such questions. If I buy an automobile it is because the company needs it. If that is so, why force me to keep a trip record of where, with whom, and how many kilometers I drove? If I made the trip it was because I had to, and I made a decision to incur this expense. It is my worry that my employee uses my—i.e., company car, to drive only where he should.

[Question] If that is what the problems of the heads of companies come down to, then we do not have to worry about the future. Common sense slowly, but surely, paves a way for itself in economic activity....

[Answer] Unfortunately, there are also more serious worries. For example, the enormous question of incentive systems. We are not professional managers in order to waste money. On the contrary. I realize that stopping

inflation is the number one task of economic policy. But please believe me when I say that it is not the official in the ministry, but I who know best what the conditions in the company are and who should be paid how much. The minister of finances does not have to worry—a company will not pay anymore more than it can or should. It is the same with pricing policy. If we have to raise prices it is not because others are doing so, but only because we want to avoid financial difficulty.

[Question] What then—in summing up—should shareholders in future companies expect?

[Answer] The director must think strategically. Development plans are drawn up for the long term. Joint venture companies are not established in order to liquidate them after a year or two. They should be in business for at least 15 years. In order to attract capital it is not enough to create the conditions for a favorable transfer of this capital. The provisions of the law—and in my opinion, this is most important of all—do not have to be perfect, but they must be stable.

9295

Cooperative Publishing Possibilities With Czechs Explored

26000062a Warsaw TRYBUNA LUDU in Polish
3-4 Sep 88 p 6

[Article by G.C.: "Are All Possibilities Utilized?"]

[Text] Cooperation with foreign publishing houses is bringing good results. Recently an agreement was signed with the Czechoslovak foreign-trade office Artia.

Its result will be a 10-volume "Art History," published in 70,000 copies, by Arkady in coproduction with Tatan. The first volume will be ready next year and the last one will be out in 1994. They will be printed in Czechoslovakia. It should be mentioned that the most modern and largest printing plant, Svoboda, was built by BUDIMEX. Meanwhile, this year yet, Silesia Publishing House will publish, in a print run of 25,000, Peter Jaros' book, "The Thousand-Year Bee," which was made into a film and shown in our television.

Polish-Czech cooperative publishing is advantageous to both sides. During 1981-85 our neighbors published 107 titles from Polish literature, beginning with technical books and ending with fiction. By 1990, they will publish another 124, of which 94 are in translation.

—What titles and which authors are most popular?

Just as in Poland, Sienkiewicz has the lead. Most often, readers in Czechoslovakia buy his trilogy. During the 1970's, 160,000 copies of "Pan Wolodyjowski" were printed. Often the print run goes as high as 100,000. Recently, 60,000 copies of "Quo Vadis" appeared. The

rapid sale of the book made it necessary for the publishers to reprint it. Mickiewicz and Kochanowski are also popular. Of the contemporary authors, those best known are the works of Stanislaw Lem, Slawomir Mrozek, Tadeusz Nowak, Arkady Fiedler, and others.

—Who decides which titles will be published?

Every 2 years representatives of both ministries meet. The authors' agency receives some specific titles. In looking over the names of the authors most often published in Czechoslovakia, we do not see many well-known and highly regarded contemporary authors, many of whom would probably appeal to Czech readers.

—Are the Czech publishing houses interested in expanding cooperation?

Representatives of Slovak Slovart and Czech Artia—trade offices which correspond to ARS POLONA—assure us of their readiness to expand cooperation. Probably an increase in the exchange of cultural assets will be possible beginning in 1991, when certain financial restrictions will be removed. Let us remember that right now the printing services provided to Poland amount to 7.5 million transferable rubles annually. For Slovart, Poland is the No 1 partner among the socialist countries, and for Artia it is No 2. Books, records and calendars produced in Czechoslovakia are sold more quickly than JABLONEX products. But the obstacle for Czech purchasers is the high price of Polish books. Efforts are being made to bring them into line. There are shops in which some titles can be purchased for a few dozen korunas. Unfortunately, that applies to only a small number of books which are subsidized by the Czechs. Another obstacle to the publication of Polish books in our neighboring country is the instability of prices. From the time a contract is signed and the book is published the price may change many times.

Galimatias holds first place in the distribution of records. The Poles are reluctant to enter into contracts for the production of records. The Czechs offer a very wide range. The possibility of advantageous cooperation appears more likely now. The production of compact disks in Czechoslovakia is now being implemented. There is enough production capacity to satisfy the Polish market. Let us hope our businessmen do not overlook the opportunity.

Our closest neighbor is interested in an exchange of printing and publishing services. Are we taking advantage of all of the possibilities that our partners are offering? Maybe we need to make some essential corrections in our publishing-services plans.

9295

Draft Decree on Contracted Prices, Range of Reduced Prices Discussed
26000063b Warsaw ZYCIE WARSZAWY in Polish
2 Sep 88 p 3

[Article by Krystyna Milewska: "Glaringly High Prices"]

[Text] The Polish Press Agency recently published a report on the draft decree prepared by the Ministry of Finance on the rules for classifying contracted prices as being glaringly high and the period during which a reduced price will be in effect. From the propaganda standpoint, this report had a soothing undertone, especially since it came at a time of workers' protests against rising prices. There is no organization, political or social, which would not protest heatedly right now against the galloping prices. Therefore, I am following in the wake of this decree. It is an executive decree to the 1982 law on prices, where the concept "glaringly high prices" appears. So this is not a new matter.

The law introduced three categories of prices: official prices, set and controlled by the state; regulated prices set on the basis of a cost formula by the producer, but also subject to state control; and contractual prices, which in principle should be the prices of balance. We find the concept "glaringly high prices" in Art 8 of the above-mentioned law: "If a seller charges a glaringly high price, the Treasury Office may issue a decision requiring that the price be reduced, or that a regulated price be applied for a specific period, not longer than a year, on goods or services other than those described in Art 6 and Art 7." In order to spare the reader an arduous search of the regulations, I will briefly try to explain what this draft decree is supposed to do.

Until now, official and regulated prices have been state controlled. This applies primarily to the public sector. The minister of finance's draft decree on classifying a contractual price as being glaringly high and fixing the period for which the reduced price will be in effect, expands the range of this control over a contractual price, i.e., it will apply also in the private sector. The draft decree defines a "glaringly high price" by the following method:

"The price of a goods or service is deemed to be glaringly high if:

1) It exceeds the currently applied, on a given level of sales in this same voivodship:

a) price of the same goods sold by the seller with a larger share of sales of this goods—by more than 25 percent, or the same service, rendered by an individual or organization with a larger share in the rendering of this service—by more than 20 percent;

b) price of similar goods, sold by a seller with a larger share in the sales of this goods—by more than 40

percent, or the same service, rendered by an individual or organization with a larger share in the rendering of this service—by more than 33 percent.

2) The seller charges a price which discriminates against specific buyers, i.e., he charges one buyer a higher price than he charges another buyer for his goods or services, for the same goods or services, and this is not warranted by the relationships of the costs which he has incurred, the use of quantity rebates, or other considerations permissible on the basis of separate regulations."

Therefore, if an article appears on the market and its price is found to be glaringly high, the Treasury Office may (but does not have to) intervene and in substantiated cases, bring about a reduction of this price. It may be said that the draft of this decree is a response to workers' demands that prices be standardized, and although it does not aim to make them completely uniform, it certainly aims at halting the growth of prices and at the eradication of price differences for the same or similar goods. In the understanding of the law, a price is the amount expressed in monetary units which the buyer is required to pay the seller for a goods or service. This is as much as the law says about price. And what are the economic conditions for the shaping of a price?

First, the amount of the price is determined by costs. Before any kind of production is begun, there must be assurance that the price to be obtained must exceed the outlay. Another element shaping the price is the position of a given article on the market. If the supply of the article is small and the number of people who want to buy it is large, the producer may obtain a price which exceeds the costs by even a large amount. One can wince at high prices but, after all, in the case of controlled prices there is always the dilemma: When there is a high demand for goods, should its price be kept low and it be left to the prey of speculators, or should a balance price be fixed and the excess profit be drawn off in the form of a sales and income tax?

Very often we hear that there is no market in Poland, that we must still institute a market. Furthermore, opinions differ greatly. There are those who believe that first we must "make a market" and then apply reform. Others believe that applying reform is instituting a market, and still others say that a market will appear only after reform is applied. Well, I insist that a market exists—even during the entire 40-year history of the Polish People's Republic, and even before that it existed hundreds and perhaps thousands of years. Whether it is gray, black, legal, or illegal, is something else again, but it is there. Every market strives for balance and as a rule, exchange on it occurs at balance prices.

Having voiced these heresies, allow me to forestall the charge that I am absolutely wrong because there is nothing on our market. Of course there is. And everything that anyone could dream of, except that exchange on this market does not take place through zlotys alone. For example, is there a housing market in Poland? Most

certainly. Without any great difficulty, and legally, an apartment or house can be bought for the sum of 300,000-600,000 zlotys for one square meter of usable floor space. It can also be bought more cheaply, e.g., for 70,000-100,000 zlotys per square meter if one had been waiting on a housing cooperative list for 15 to 20 years. Thus, in the case of housing, a market price functions, except that 80 percent of this price is sometimes paid in completely different, than zlotys, currencies. Automobiles can also be bought for cash at car-auction prices, or correspondingly cheaper if one has a voucher.

In our market there are all kinds of mediums of exchange: zlotys (more or less legal), coupons, vouchers, meat-ration cards, all of the hard currencies in the world, "arrangements of understanding," etc. Time spent standing in queues is also money. And, in accordance with the well-known rule, the inferior currencies consistently force the zloty out of the market and become increasingly more desirable. At the head of this list is the dollar. Thanks to the high official exchange rate of the dollar, over 80 percent of Polish export is already profitable. The even higher black-market rate, maintained by the pricing policy in effect in PEWEX shops, is responsible for the fact that half of the Polish tourists are buying and selling everything they can in the East and West, because in no country is the dollar exchange rate as high as it is here. And that is how the citizens and the state are helping each other in conducting a proexport policy. But cannot it be charged here that the national income is being sold out?

For it is this kind of policy, in my opinion, which leads not only to depletion of the market, but is costly in terms of morality and social justice. And that is what a glaringly high price is. Customs collectors throughout the entire world are probably after our countrymen. Consulates and embassies are beginning to limit the number of Poles they will accept into their countries. Therefore, are not the economic incentives to obtain dollars the wrong incentives, from the standpoint of social values? After all, the devaluation of the zloty destroys the incentive to work in this country, and causes a price growth which no decree will stop.

In the light of this decree, is the price charged by the seller at an automobile auction a glaringly high price? Or can the price expressed in PEWEX coupons be deemed to be glaringly high? Or perhaps only the prices expressed in zlotys will fall under the law. The Ministry of Finance and its agents, i.e., the Treasury Offices, are supposed to be the "price police," pursuing the price bandits. But these same Treasury Offices are guardians of the budget. Are they the ones who are supposed to strive to revise the prices downward and by doing so reduce the income to the budget which would come from the sales and income tax? How many tax officials will have to be employed to introduce the complicated procedure of establishing a "glaringly high price?" How many additional explanations will have to be published to define the concept "the

same and similar goods?" How many experts will have to be employed to determine the quality level of goods? Many more such questions could be asked.

Let us run through the practical functioning of a glaringly high price. A few days ago, in Smyk Department Store, I bought a pair of shoes for a kindergartner—"low-quarter school shoes," (as the name on the box said)—made in Poland, for 4,900 (four thousand nine hundred) zlotys. Let us assume that some consumer organization applies to the Treasury Office to have this price deemed to be glaringly high. This is completely probable, because similar shoes—although not of this quality—can be bought for half this price. The shoes being discussed are not a work of art or an antique, they do not bear a Q or I symbol, I do not suspect that they have the endorsement of the Polish Committee on Standards, Measures and Quality, they are not a prototype or production sample, a seasonal goods or a hotel service (I am naming all of the goods whose prices cannot be deemed to be glaringly high). These shoes have some unquestionable qualities. They are well made, soft, and of high-quality raw materials. A world standard is clearly visible. There is not even a trace of the name of the domestic producer. Only the imprints of foreign firms in a foreign language. Undoubtedly the producer sells them for at least several, if not more, dollars.

Is the 4,900-zloty price glaringly high or not? If it is deemed to be so and the producer is forced to reduce it, will he take offense at the domestic market and not want to export even this small amount? Does the 4,900-zloty price make the production of these shoes profitable? Another doubt: If there are articles on the market which are similar from the standpoint of quality and user advantages, than the glaringly high price should itself cut down the demand. If I can buy something similar at a lower price, than why should I overpay? But if there are no such articles on the market, what can they be compared to in order to establish this glaringly high price? Compare them with foreign articles. But according to which currency-exchange rate? Will the producer who is accused of charging a glaringly high price stop producing? We often point to the private sector as the one which produces more expensively, but after all, the economic systems for the private sector and the public sector differ, and the access of the particular sectors to raw materials and supplies, especially those that are state controlled, differs. Access to foreign exchange also differs. And this is interesting, too: A private manufacturer who purchases imported raw materials for his production calculates the cost of these materials at the official rate of exchange. If he pays for them with PEWEX coupons he can record the price in his books according to the price of procurement on that day. Under these circumstances, how can one compare and fix the actual costs of manufacture? There are many such questions.

Will a glaringly high price become a concept—a camouflage for other, completely different, economic problems? Will it become part of the arsenal of concepts of a

contractual economy, the economy for the envious, just as "traits of luxury," "extreme self-aggrandizement," "above-normal salaries," and "most needy"—just as if there were objective, timeless measures for wealth, a salary norm, and a criterion for attachment to "luxury." One can sometimes employ such concepts when exigencies demand, however it would be dangerous if they were to become entrenched as determinants of economic policy.

But returning to these miserable shoes for 4,900 zlotys for a kindergartner.

The producer of these shoes really represents world-class standards. Children's shoes from this company are what mothers and orthopedists yearn for. In addition, they are beautiful in quality and appearance. But in England, a pair of dress shoes for a 4-year-old produced by this company costs 8.5 pounds. Two years ago in our country they cost 1,550 zlotys, now there are none at all. What should reform do in this case? It should make it profitable enough for this producer to double or triple his production within a few years and open branches in several cities with a shop in each branch. It should also make working in his firm as attractive as it was before the war in Wedel or Jablowski Brothers. And of course, it should be just as profitable for him to sell his goods in London as in Warsaw.

9295

YUGOSLAVIA

Results of Fertilizer, Seed Subsidy Program Analyzed

28000014 Belgrade EKONOMSKA POLITIKA
in Serbo-Croatian 26 Sep 88 pp 18-19

[Article by Lj. Zivkov]

[Text] The Federal Government believes that (at least) 325 billion dinars will be needed for subsidies for artificial fertilizers, protective means, and high-quality seed; the Government made this proposal to the SFRY Assembly at the end of September.

The appropriations act for 1988 subsidies had set this figure at 189 billion dinars. By this act the Federation was obliged to provide 63 billion dinars and the republics and provinces 126 billion dinars. With its proposal to almost double subsidies, the Government is attempting to dampen one of the inflationary fires so that the growth in the cost of agricultural products will slow down somewhat (i.e. be postponed).

A Glance Backwards

The Law on Providing Funds for Subsidies for Artificial Fertilizers, Plant Protection Means, and High-Quality Seed was introduced in March 1986. Money comes from

the revenues of the republics and provinces and of the Federation. The legislation required the Federation to provide at least one third of the necessary funds.

How does one determine generally what funds are necessary? The law talked in terms of parities: the price of artificial fertilizers was to be 80 percent of the price of first-class wheat. The relative amount of the subsidies is determined annually by the SFRY Assembly at the same time that it introduces the resolution.

If the republics or provinces do not pay their share by the 10th of the month (for the preceding month), the official heading the federal finance authorities will instruct the Public Bookkeeping Service to transfer the funds from the budget of the tardy republics or provinces to the account of the subsidy fund. All this is to be done within 5 days. (It will be seen below that this regulation is not carried out in an exactly impeccable manner.)

Delays Set In

In the law's first year the subsidy had been planned only for mineral fertilizers; in the summer of that year the law was supplemented by an act specifying that subsidies would also be provided for high-quality wheat seed and rape oil seed.

The subsidy for artificial fertilizer was set at 30 percent of the price of mineral fertilizers as of 31 December of the previous year (1985), and 20 percent for wheat and rape oil seed. This called for 48.5 billion dinars (16.13 billion from the Federation and 32.37 from the republics and provinces). All this money was supposed to be in the hands of producers no later than 10 March 1987. However, by that date only Serbia had met its obligations; the other republics and provinces did not do so until the end of June, with the exception of Montenegro, which owed 322 million dinars at the time of the Government's June 1988 report on subsidies.

While they were waiting for the delayed subsidies, fertilizer and seed producers had to obtain money from the banks at interest rates, but it is neither necessary nor in good taste to discuss this. In the meantime the price of fertilizers was increasing steadily and the value of the subsidy was reduced in relative terms (to 25 percent). However, that year (1986), subsidies were provided for the production of 2,840,000 tons of fertilizers, 280,000 tons of wheat seed, and 733.4 tons of rape oil seed.

Last Year's Accomplishments

For 1987, subsidies were set at 80 billion dinars (53.3 billion from republic and province revenues and the remainder from the Federation). The percentage of subsidy remained the same as the preceding year (30 percent for fertilizers and 20 percent for seed, while plant protection means received a 10 percent subsidy).

It turned out that 80 billion was not enough and the amount of subsidies was increased by another 25 billion (republics and provinces 16.6 billion and the Federation 8.4 billion). However, the habit of procrastination continued in 1987: between May and August subsidies were 1 month late; in August and September the delay was 1.5 months; and from September on, subsidies were about 2 months late. Instead of the subsidy process being completed by 10 January of this year (1988), the last subsidies did not arrive until May.

It was found that even 105 billion dinars was not sufficient: larger quantities were delivered than planned, while at the same time prices rose more than had been anticipated, i.e. feared. What at the beginning of the year had been 30 percent of the price of fertilizers fell at the end of the year to 10.5 percent. The average subsidy level for 1987 was 23 percent.

The Year of Our Lord 1988

This year the subsidy for fertilizers was reduced to 20 percent, that for seed to 15 percent, and that for protective means to 6 percent, with this difference: for 1988 the percentage would be based on current prices (rather than prices at the end of the previous year, as had been done). However, one important similarity remained with previous years: subsidies arrived late. One of the reasons for this year's (2-month) delay is that funds provided for this year were used to settle obligations remaining from last year. Furthermore, the republics and provinces are required to pay 1/20 [as published] of their quota each month, whereas purchases are larger in the spring. Finally, funds originally provided for this year were insufficient, and the republics and provinces are not rushing to pay: they either pay late or pay just so they can say they did it on the 10th of the month (which is the deadline but which is not precisely the optimal time for the beneficiaries).

And Yet It Moves

Despite the insufficient amount of funds and some delay in payments, the subsidies have at least reduced the gulf between the price of agricultural goods and the three subsidized production materials, although they have not yet been able to achieve the desired parity.

It appears that the subsidies have helped preserve the not-so-deeply-rooted habit of using mineral fertilizers and quality seed. At the beginning of the 1980's Yugoslavia used about 2.46 million tons of fertilizers (which put us close to the bottom of the European ranking), in the 1986 planting the figure was 2.8 million tons. In the first "subsidized" planting (1986), this country used 50,000 more tons of quality seed than in the previous year. In the next season (1987) the use of quality seed rose by another 25,000 tons.

The subsidies have not accomplished all that the legislation anticipated, but they have played a role. It would be

silly and exaggerated to say with regard to the subsidies what help and benefit they provide to agriculture, or what they do not do. Agriculture is exhausted and ready for help, and the subsidies are help. To be sure, it arrives in small doses and with a regular delay, but it does arrive.

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Tourism Official on Industry's Problems

28000024 Split SLOBODNA DALMACIJA
in Serbo-Croatian 9 Oct 88 p 11

[Article by Ivo Ljubisic, chairman of the Croatian Committee for Tourism: "Tourism Brings Prosperity to the Poor"]

[Text] According to the preliminary data of the Bureau for Statistics, in the first 8 months of this year we repeated last year's volume of physical traffic. The number of nights foreigners spent in lodgings was up a symbolic 0.9 percent, but visits by domestic guests dropped slightly at the same time. Since we anticipated an increase in foreign tourist traffic of as much as 2 percent and a repeat of 1987 with respect to domestic guests, our hopes were a bit disappointed, although the results are rather close to the planning estimates.

It is possible, although I do not really expect it, that a good postseason will correct the overall result and make it possible to "fulfill" the plan. However, the most important thing is still that we have been substantially increasing the inflow of foreign exchange from tourism for the 4th year in a row. Thus, up to the end of August traffic in exchange offices grew 34 percent over the same period of last year in SR Croatia, which in any case shows that our tourism effort in the broadest sense is better organized. The last thing to which we can attribute this enviable growth is higher prices, since those prices, especially those for services aside from food and lodging, have been lower in their foreign exchange equivalent than they were last year, in some places even as much as 20 percent. Those price reductions for foreign guests resulted in a larger quantity of goods and services sold, and altogether a high growth of revenues. Unfortunately, we must say at once that the costs of the tourist industry and its obligations for government and social services have increased still faster. When we add to this the immense obligations on the basis of interest on indexed credits, the final result for the income of the tourist industry will be poorer than last year! We are witnesses, then, of a paradoxical situation in which tourism brings society high and ever larger revenues in foreign exchange every year, but at the same time we are falling into an ever more serious financial situation. The tourist industry does not need more than some 10 percent of its foreign exchange income for reinvestment, which means that the lion's share of that convertible money remains with the social community, which ought to return a portion of those benefits to tourism.

It is now quite certain that this year tourism will bring us an inflow of at least \$2 billion, and this according to the strange methodology which records only a part of tourist traffic. The essential thing, then, is that the projected receipts of \$1.89 billion were exceeded. But it is much more important to realize that this year's income from tourism, that is, total expenditure of foreign guests, according to all parameters, will amount to at least \$3.5 and perhaps all of \$3.6 billion. These are the correct numbers about the convertible money which tourism will attract to the country this year, and they are the ones we should compare to achievements abroad, not figures on the "inflow" that does not include even gasoline coupons, nor the revenues of carriers in transportation, nor many other things which are undoubtedly tourist revenues.

The 1989 tourist season will depend, as seasons have so far, on world economic and market trends, the soundness of the presentation of our attractions, and, of course, on how we prepare for next summer. While stable economic conditions in the advanced countries of the West suggest the possibility of a global growth of the market, our presentation to the tourist world will follow the customary scenario, but with certain improvements related to the use of up-to-date media such as television, cassettes, etc. The tourist attractions of Yugoslavia and its parts will thereby be brought still closer to consumers. The era of improvisation, I hope, is now definitely behind us. We should anticipate, then, that our tourism advertising will give voice to specialists from within the country and the world and will use those methods and media which have acquainted the largest number of potential guests with the values of what Yugoslav has to offer.

The immense flowering of algae this year will perhaps hold the market back somewhat. But when we take into account that this natural phenomenon does after all recur rarely and that executive authorities of the republic and the Federation are doing serious work on a joint program to protect the Adriatic, on which there is to be an agreement with Italian authorities, I believe that the sea will soon be freed of the substances that hasten the "flowering," that is, that the ugly picture on the surface in August will no longer recur. It seems to me that all us users of the Adriatic Sea have after all realized that its cleanliness is of great and indeed vital importance to us.

Our underdeveloped infrastructure will up to the end of the year and for quite a few years to come limit the returns from tourism, although before the beginning of summer 1989 it will be perceptibly improved. The Committee for Tourism is insisting on urgent preparation of infrastructural undertakings necessary to tourism, above all the Adriatic Limited Access Highway, the Maribor-Zagreb-Split Limited Access Highway, and the Karlovac-Rijeka Limited Access Highway. Whether and to what extent we will augment the marketing of our tourist services will depend more than anything else on the construction of those highways. In giving up on those

highways, we would de facto give up on the development of tourism. Guests would detour around us more and more, a matter in which we ourselves have helped them by completing the Brotherhood and Unity Superhighway, so that they can easily reach the summer vacation resorts of our Southern Balkan and Near Eastern competition.

But let us go back to the summer of 1989, for which an agreement covers programs of preparation in the maximum possible detail and explicit enumeration of undertakings which are to be completed before the season. It has been agreed that the "bottleneck" at the approach to the Lim Canal would be removed before summer, that the highway across Krk would be completed, and new ferry service established from Titov Most to Cres and Losinj, that the Rijeka and Split bypasses would be completed, while at the same time work is to begin on the approach roads to the future bridge over Dubrovacka Rijeka.

We also have the same approach (explicit enumeration of projects) when it comes to PTT connections and the rest of the infrastructure. We must, of course, also pay serious attention to environmental protection, especially on the beaches and places along the highway where tourists stop. In collaboration with the economic chambers of Yugoslavia and Croatia, the committee has been working to establish the minimum standard for all tourist services, especially hostelry services, and then through strict monitoring of the established standards to improve the quality of service and make it recognizable to the consumer. In this way we would assure guests that Yugoslav tourism is not based on improvisation, but on guaranteed attractions and quality.

Mostly when we talk about preparing for the season we are frightened because of our proverbial slowness in furnishing the providers of tourist services the money they urgently need on time and under bearable terms and conditions. After all, it would be an illusion to expect that the tourist industry would take upon itself not only the enormous price of capital, but also the entire burden of preparing for the season. Nor should it be forgotten that year after year that activity is actually financed with credit from numerous manufacturers whose goods are marketed to guests, but this can no longer be done by charging it to their small income. In the judgment of leading practitioners in the industry, selective credits should be retained for preparation for the season, and the price of the money should be bearable. Otherwise it could happen that the preparations would be tardy, which would run a great risk not only for tourism, but also for the country, which expects a great deal of it.

The new Law on Accounting and certain other enactments that have been announced should bring solutions to a problem that is excessively great for many collectives: the literally unsupportable burden placed on income by indexing the debt incurred to build tourist facilities between the beginning of 1984 and the end of

1987. The present letter of the law transfers the already small capital savings from work organizations to commercial banks, and the economy then takes it back again from them, but at an excessively high and impossible price. Certain organizations which engaged in quite intensive construction now commit 40 or more percent of their income to meeting their credit obligations.

In advance of the coming season, the tourist industry will need advances from foreign trading partners perhaps more than ever before. However, they will not offer that quality money unless the absurd situation with coverage of exchange rate differences is solved on time.

In view of the drought which has taken away a sizable portion of the anticipated harvest, we will certainly have to import, and have already been importing, certain quantities of agricultural products and processed foods for the next season. I think it is high time that we begin

to treat the necessary imported goods as production supplies which the tourist industry must bring into the country without paying various charges and taxes and at the prices on the world market.

Yugoslav tourism, to conclude, has gained a reputation in Europe and the world in spite of the obvious deficiencies. Nor are those markets bothered much by the troubles and events in the country arising from our economic crisis. The very fact that we have broken the foreign exchange record in the last 4 years for income from the nights foreigners spent in lodgings is proof of that. It is quite certain that the crisis will not go away before next summer, which means that we once again must take pains to persuade potential guests who have not experienced our attractions that Yugoslavia is the country for a pleasant vacation.

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